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## If Impasse Continues

### Israel May Seek Informal Peace

JERUSALEM, July 24 (Reuters) — Prime Minister Menachem Begin said tonight that if a Middle East peace pact proved impossible Israel would try to settle for informal friendly relations with its neighbors.

A formal peace agreement has long been a basic tenet of the Israeli position.

Addressing the Knesset (parliament) at the end of a heated debate, Mr. Begin reiterated that Israel seeks full peace treaties with secure borders and diplomatic relations, but he added:

"If by a certain date it proves too difficult or impossible to reach a peace treaty we would agree to work toward peaceful relations. The classic example of this is Germany in Europe. She did not sign peace treaties after World War II. But Germany lives in peaceful relations with all its neighbors."

Mr. Begin reiterated his refusal to return the northern Sinai town of El Arish and Mount Sinai to Egyptian control as a one-sided gesture of goodwill. "We shall not make any presents, not a single grain of sand," Mr. Begin said.

But he pledged willingness to meet Egyptian President Anwar Sadat to discuss mutual concessions. If Mr. Sadat agrees to the meeting "we shall propose to him a certain offer in exchange for El Arish and

Santa Katerina (the monastery on Mount Sinai)," he said.

Such an agreement, Mr. Begin said, would establish good relations in a certain sector. From this we could advance to other sectors. This could be construed as a reference to achieving a de facto peace without a treaty.

The Knesset supported the government's Middle East policy by 68 votes to 37.

Mr. Begin's address dissolved at one point into a frantic shouting match with members of the Labor Party opposition who called for his resignation. "It's not fair, it's not fair, you won't let me speak," Mr. Begin cried.

He complained about the Labor Party attacks on him in the last week, during which opposition members had questioned his mental and physical health.

#### Assails Peres

At one point Mr. Begin shouted at Labor Party leader Shimon Peres, "Shut up and be quiet." The two party leaders argued over whether Mr. Begin had authorized Mr. Peres to conduct negotiations with President Sadat at their July 9 meeting in Austria.

Mr. Begin told Mr. Peres: "I am prepared to take a polygraph [lie detector] test to see who is telling the truth."

Earlier in the debate Foreign Minister Moshe Dayan said that Egypt was insisting on the removal of every Israeli soldier and Jewish settler from the West Bank as the price of a peace agreement.

He told the Knesset that neither Israel nor Egypt had modified their basic policies at last week's meeting of foreign ministers at Leeds Castle, southern England.

Mr. Dayan said that, contrary to recent reports, Egypt showed no sign of favoring the opposition Labor Party's call for a territorial compromise — meaning partial Israeli withdrawal from the West Bank and Gaza.

Official sources here saw a marginal advance in the Israeli position as presented by Mr. Dayan to U.S. Secretary of State Cyrus Vance at Leeds Castle. Mr. Dayan told the Knesset that he made these three points to Mr. Vance:

- That Israel would not agree to full withdrawal to pre-1967 frontiers and restoration of Arab sovereignty over the evacuated areas.

- That if a peace proposal based on territorial compromise were made, then Israel would discuss it.

- That provided Israel's peace plan for limited Arab self-rule on the West Bank and Gaza were adopted then Israel would be prepared, after a five-year interim period, to discuss what sovereignty should prevail in these areas.

While the foreign minister was speaking, news came from Cairo that Egypt had restated its refusal to hold more peace talks unless Israel comes up with some new ideas.

But a Foreign Ministry spokesman said that Israel still hoped talks would go ahead next month at an U.S.-manned observer zone in Sinai.



British Chancellor of the Exchequer Denis Healey, left, and French Finance Minister Rene Monory chat before the meeting of Common Market finance ministers yesterday in Brussels.

## SALT Snag Feared

### Russia Said to Balk At Mobile Missiles

By Richard Burr

WASHINGTON, July 24 (NYT) — The Soviet Union has raised objections to a U.S. plan for deploying mobile, intercontinental missiles, Carter administration officials said yesterday, adding a new complication to the efforts to conclude a strategic arms agreement this year with Moscow.

The officials said that at a recent private meeting in Geneva, the top Soviet arms negotiator, Vladimir Semionov, informed Paul Warnke, the director of the Arms Control and Disarmament Agency, that a U.S. proposal for hiding land-based missiles among clusters of empty, underground silos might not be compatible with the terms of a new treaty limiting strategic arms until 1985.

According to the officials, Mr. Semionov did not entirely rule out the possibility of U.S. mobile missile deployment under a new treaty, but he did indicate that some approaches now being examined by the administration would encounter resistance from Moscow.

In particular, he is said to have raised questions about the administration's plans for a so-called "multiple aim point" missile system.

#### 'Shell-Game' System

Under the multiple aim point idea, hundreds of missiles would be moved around thousands of empty launching silos in random fashion. The basic purpose of this "shell-game" system would be to complicate any effort by the Soviet Union to destroy U.S. land-based missiles in a first-strike rocket attack.

The administration has decided that a new arms accord must allow

the United States to move ahead with mobile missiles, largely because it is thought that without leaving this option open, an agreement could not win Senate approval. Accordingly, during his two days of talks in Geneva earlier this month, Secretary of State Cyrus Vance told Soviet Foreign Minister

(Continued on Page 2, Col. 6)

## Dollar Plummets to New Lows Against Yen and Swiss Franc

### Bonn Takes Hard Line On Money

By Paul Lewis

BRUSSELS, July 24 (NYT) — West Germany made it clear today that it expects other countries joining its proposed new European currency stabilization plan to adopt conservatively inclined policies that will tend to lower their economic growth rates while also reducing inflation.

West Germany's stance, taken at a meeting of finance ministers from the nine European Economic Community countries, tends to confirm the Carter administration's fears that this new currency stabilization plan may contain a deflationary bias that could undercut the commitment to faster economic growth Western leaders gave at the Bonn summit meeting 10 days ago.

After today's meeting, European finance ministers said they had made good progress in their examination of the French-German plan for creating "a zone of monetary stability" in Europe, which, if realized, could have important implications for the U.S. economy and the dollar.

But there was a widespread feeling among those close to the talks that the real political fighting has not yet begun — and probably will not until the end of September, when experts are due to report on technical aspects of the plan, referred to them by ministers today.

"We've done very well so far. But the crunch has not come yet," Manfred Lahnstein, state secretary

### OPEC Weighs Price-Standard Shift

LONDON, July 24 (AP-DJ) — The dollar plunged to a record low against the yen today while weakening substantially against European currencies in hectic trading as gold prices soared.

Dealers said a widespread movement away from the dollar started after a disclosure by Kuwait's oil minister, Ali Kalifah al-Sabah, that a committee of the Organization of Petroleum Exporting Countries had decided to recommend that the dollar price of oil be indexed to an undisclosed composite currency unit.

[In Washington, Treasury Undersecretary Anthony Solomon told a Senate subcommittee that the White House sees no reason why the oil exporters would find it

in their best interest to shift away from dollar pricing for oil. The dollar edged up after he spoke. Details Page 7.]

The OPEC recommendation, which has yet to be approved by ministers, was interpreted as meaning that the dollar price of oil would automatically be raised if the dollar continued to decline. This development apparently caught the imagination of operators in Asia, who sold dollars in large amounts for yen. Even though the Bank of Japan absorbed between an estimated \$400 million and \$500 million, the dollar fell through the psychological barrier of 200 yen in Tokyo, finishing at a record low of 199.05, down from 201.25 Friday.

In bullion markets around the world, activity was hectic with Hong Kong dealers reporting a near-record turnover. In London, gold was fixed at \$195.50 an ounce in the morning, up from \$191.75 Friday afternoon. However, it slipped to \$195.20 at the afternoon fixing and was 20 cents below that level at the close. Nevertheless, the price was within easy striking distance of the record high of \$197.50 set in 1974.

In European foreign exchange trading, the dollar continued to fall, ending at 197.90 yen compared with 200.90 Friday.

European currencies were influenced by the dollar's decline against the yen. The dollar fell to 2.0410 Deutsche marks from 2.0525 and to a record low 1.7720 Swiss francs from 1.7915. The dollar was also weak against the French franc and sterling, whose short-term deposit rates are considerably higher than dollar deposit rates. Thus, the dollar fell to 4.3935 French francs from 4.4275 while sterling rose to \$1.9290 from \$1.9135.

Although dealers pinpointed the OPEC oil-pricing recommendation as the immediate cause of today's heavy sales of dollars, dealers also listed several other reasons to account for the weakness. One of them was Friday's report of U.S. gross national product data, which showed that the general level of prices was rising at a seasonally adjusted annual rate of 10 percent in the second quarter, compared with 7.2 percent in the first quarter. Dealers reckoned that if inflation continues at such a fast pace, there will be little hope for the United States to reduce its current-account deficit for trade in goods and services.

## Global Arms Spending Is Put at \$400 Billion

By George C. Wilson

WASHINGTON, July 24 (WP) — The U.S. government reported yesterday that the nations of the world spent more than \$750,000 a minute for military purposes in 1976.

The \$400 billion total, the U.S. Arms Control and Disarmament Agency said, was 2½ times the amount the world spent on public health.

The United States and the Soviet Union, the report said, accounted for two-thirds of the weapons exported to other nations, with the Middle East the biggest customer. The United States exported 39 percent of the arms sold abroad and the Soviet Union 28 percent.

The fighting in Africa is manifested in the report by sharp increases in weapons imports by countries there. African military expenditures climbed from \$1.4 billion in 1967 to \$5.9 billion in 1976.

"In general," the agency said, "military expenditures increased in

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## Russian Forced To Spy for U.S., Magazine Says

NEW YORK, July 24 (AP) — A Soviet citizen sentenced to death July 14 after confessing that he was blackmailed into spying had worked for the U.S. government, Newsweek magazine says.

Anatoli Filatov, 38, admitted that he was recruited by a Western intelligence agency when he was a low-level diplomat in Algeria in 1974, and used in Moscow, but the Soviet press never named the agency, although there were strong hints at the trial that it was the CIA.

Newsweek said in its coming issue that intelligence sources believe that Mr. Filatov's primary value to the CIA was his potential for rising within the Soviet diplomatic ranks.

Mr. Filatov said he was photographed in a compromising position with a female companion. The magazine said he was then forced to spy for Washington and was given sums of money and code pads, invisible writing paraphernalia, a radio receiver and a miniature camera disguised as a butane lighter.

The Russian's main contact, according to the magazine, was a Vincent Crockett, apparently a CIA agent, who was listed by the U.S. Embassy as an archivist in the office of Maj. Robert Watters of the Defense Intelligence Agency. Mr. Crockett's activities ultimately were discovered by Soviet officials, and he and his wife were expelled from Moscow and reassigned to Bonn, Newsweek said.

## In Dispute With Soares on Farm Policy

### Conservatives in Portugal Quit Cabinet

LISBON, July 24 (AP) — The Conservative Party withdrew its three ministers today from the Cabinet of Socialist Premier Mario Soares, precipitating Portugal's second government crisis in six months.

The dispute centers on Mr. Soares's farm policy. The Conservatives accuse Agriculture Minister Luis Saia of hindering the return to private owners of farms illegally seized by leftist workers after the

1974 revolution, in which leftist military officers toppled Portugal's rightist dictatorship.

Mr. Saia denies this but has admitted discussing land distribution problems with the Communists, who are not part of the government coalition.

The Conservatives also are unhappy with Socialist plans for a sweeping state-operated health service.

After a meeting that ended early

this morning, the Conservatives' national council declared that two weeks of talks with the Socialists had gotten nowhere, that the party could no longer support the government and that the three ministers would resign. They are Foreign Minister Vitor Machado, Administrative Reform Minister Rui Pena and Commerce Minister Basilio Horta.

Without the 41 Conservative legislators, the 102 Socialists lack a majority in the 263-seat Parliament. The main opposition party, the center-right Social Democrats, has 73 seats. The pro-Soviet Communists have 40.

Political observers said that continued negotiations with the Conservatives appear more likely than new national elections.

Mr. Soares's previous all-Socialist Cabinet fell after 16 months last December because of Portugal's prolonged economic decline.

Communist leader Alvaro Cunhal told a rally here yesterday that his party is ready to enter a government with the Socialists in what he said was a natural and necessary alliance of the left. Mr. Soares has said repeatedly that he would not consider an agreement with the Communists on the grounds that they are not a democratic party.

12 Blasts in Greece

ATHENS, July 24 (AP) — Twelve bombs exploded in Athens and Piraeus today on the fourth anniversary of the collapse of the military dictatorship. Police said that no one was hurt and that there was no significant damage.

## Prosperous Dover Still Keeps a Wary Eye on France

By Roy Reed

DOVER, England, July 24 (NYT) — "Every nation has its natural enemy," a crusty man here said. "Ours is France."

The 13th-century castle on Dover's highest cliff has an old but well-polished gun pointing straight across the English Channel at the chalky coast of Calais. The French town has its own centuries-old fortification to defend it against invading Englishmen.

Modern rulers, lulled by the decline of hostilities since 1815, have been trying to link the two countries by a bridge or tunnel. But the latest tunnel project was abandoned four years ago.

The British government has despaired of early resumption and is trying to sell a \$1-million tunneling machine that it used to dig the first 200 feet. The machine is under the seabed, almost 22 miles shy of its goal. And because it cannot be backed out, the buyer will have to dismantle it.

"If it had continued to France," a government spokesman said, "it would have come out in front."

There have been inquiries but no bids. The machine apparently will have to be melted down for scrap.

Dover is gratified. The tunnel would have emerged several miles inland, by-passing the busy port and threatening the town's livelihood.

And aside from economics, many here do not see the advantage in making it easier for the French to get to England.

But an unaccountable animity has grown up between Dover and Calais in recent years. No doubt it was sweetened by World War II, in

which they were common victims of the Nazis. The Germans captured Calais in 1940 and from there they shelled and bombed Dover for the rest of the war.

The two recently became "twin cities," an earnest expression of devotion inspired by the

two chambers of commerce. Schoolchildren cross the English Channel, which the French call La Manche, to live in each other's homes for days at a time. Business and political leaders also exchange visits.

One day, 1,200 French visitors

were here on a good-will tour. They had tea with the mayor, took a bus to Canterbury Cathedral and heard speeches. Even though they were not spending the night, they carried suitcases or huge shopping bags — and all were filled by the end of the day.

Since the decline of the pound three years ago, Dover has become the shopping center of Western Europe. The streets are packed nearly every day with bargain hunters from France, Belgium, West Germany and the Netherlands.

Andrew Beggs, a drugstore owner, said: "On a Belgian holiday, we'll get 2,000 or 3,000 Belgians a day coming over."

Aspirin costs half as much in Dover as in Brussels. Shoes are a third cheaper. Many items of food are cheaper. People buy in quantity to justify the boat fares, which start at about \$12 from the nearest continental ports.

Some of the old antagonisms are reviving, according to A.R. Adams, the head of a printing concern.

"The businessmen love it," he said, "but many of the local people are not enamored of the French and Belgian shoppers coming in and stripping the shops."

Dover has become the busiest passenger port in Europe, accommodating about eight million persons a year. Mr. Adams compared it to an Alabama cotton mill town. "Instead of cotton," he said, "we take in people and process them and send them out on boats."

Dover's harbor is a paid tourist attraction. Freight and passenger ships go in or out every 30 minutes on busy days. A thousand

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## Billy Martin Quits Yankees

KANSAS CITY, July 24 (AP) — Billy Martin, in tears, resigned today as manager of the New York Yankees.

Martin and team officials held a brief news conference in the lobby of the Crown Center Hotel. Martin held a handwritten statement and prefaced his remarks by saying: "There will be no questions before or after or forever because I'm a Yankee and Yankees don't throw stones."

"I owe it to my health to resign," Martin said. "I'm sorry about some things that were printed. I did not say them. I want to thank my coaches, the players and the news media for everything."

Martin spoke only briefly and, as his voice began to waver, he stopped, but failed to compose himself. He was led, sobbing, away from the cluster of newsmen.

Martin had been embroiled in a controversy involving star slugger Reggie Jackson and Yankee owner George Steinbrenner. See earlier story on page 13.



BASTA — Gina Lollobrigida, the Italian movie star turned photographer, shuns the lens herself while covering the Pierre Cardin fashion showing in Paris for French Vogue. For full story on the opening of the fall collections see page 6.



## News Analysis

## Bonn's Diplomatic Strength Is Growing

By Paul Lewis

BONN, July 24 (NYT) — The outcome of the Western economic conference has been widely, and accurately, portrayed as a personal victory for its host, Chancellor Helmut Schmidt. But his victory has a significance extending far beyond the economic sphere. It is another sign that 30 years after losing World War II, West Germany is finally acquiring the diplomatic muscle to match its economic strength.

The changing balance of power in the Western world was the deeper theme running through the talks in Beethoven's Rhineland birthplace. Mr. Schmidt faced what he saw as a choice between dissipating West Germany's economic vigor, or reinforcing its position as Europe's paymaster, with all the added power and influence that implies. He chose the latter course.

President Carter and other Western leaders wanted him to expand the German economy faster than he considered prudent, sucking in more imports, boosting world trade but risking renewed inflation. Mr. Schmidt refused to do this, offering only a modest stimulus dictated as much by domestic political calculations as by any belief that it will significantly affect the course of the German economy.

Instead, he had already chosen to spend Germany's trade surplus — the fruit of its economic strength — on financing the further unification of Europe and increasing his country's diplomatic authority within Europe and abroad.

Once Mr. Schmidt had made his decision, President Carter, and the heads of state of France, Britain, Italy, Canada and Japan, were obliged to fall into line and accept the German view that a period of financial stability is more likely to revive economic growth and reduce unemployment in the West than additional pump-priming.

As a result, the nature of Western economic summitry has changed. No longer can these seven leaders pretend that their annual conclaves are capable of producing some magic plan for instantly restoring full employment and vigorous growth. The most to be expected from their meetings from now on will be a general display of determination to steer as best they can in what are acknowledged to be dangerous and protracted economic waters.

The key to understanding the significance of Mr. Schmidt's success at Bonn lies in the meeting of Common Market leaders two weeks earlier in Bremen. There, West Germany, with strong French backing, won acceptance in principle for a plan to bind Europe's currencies in a "zone of monetary stability" intended to shield them, from the

speculative backwash of the declining dollar.

Chancellor Schmidt, once profoundly skeptical of such plans, now believes that the nations of Europe can recover from the recession, which has affected them far more severely than the United States or Japan, only if they stabilize their currencies and gradually bring their domestic economic policies into step.

## \$50-Billion Fund

Moreover, West Germany is prepared to contribute a large slice of its foreign reserves to a proposed \$50 billion fund for stabilizing European exchange rates and helping weaker countries strengthen their

economies. Just how much money Germany will put up and on what terms, will be discussed today by European finance ministers meeting in Brussels.

Whatever the outcome of those intensely technical discussions, the real issues at stake are as much political as economic. A disciplined European monetary bloc, underpinned by the Common Market's reserves, would provide the basis for a single European currency that could eventually take over much of the dollar's role as an international medium of exchange.

Moreover, if the Europeans succeed in creating such a bloc, they will be in a position to influence the dollar's exchange rate against

their own currencies and thus hold a jackknife to the jugular of American industries that sell abroad.

It is hardly surprising, therefore, that President Carter, like his predecessors, finds European unification more attractive in the abstract than in practice and pointedly refused at Bonn to endorse the proposed new currency scheme until all the details have been worked out.

## Greater Individualism

Mr. Schmidt's stance is only the most recent example of West Germany's greater individualism. He took the lead in telling the United States early in the Carter administration that Germany intended to go ahead with the development of a plutonium-based nuclear industry, despite Mr. Carter's objections. It is an open secret, too, that he was appalled when the Carter administration appeared ready to give up the neutron bomb without Soviet concessions in return.

Politically, West Germany still cannot afford to offer direct military help to pro-Western African countries who consider themselves menaced by Soviet-backed subversion. But it has fully supported France's forward policy in black Africa and is also stepping up its economic aid to strategically placed countries, such as Zambia and Zaïre.

Yet internally, Mr. Schmidt is far from strong.

As summit host, it was clear that he would have to give some ground on expanding the German economy, whose growth this year will be 3 percent or less. Unemployment, however, is only 1 million and inflation is moving below 3 percent in a country whose leaders still remember the great inflation that helped Hitler to power. But the clinching factor in the modest stimulus Mr. Schmidt offered at Bonn — 1 percent of the country's gross national product or about \$6 billion — was the abysmal showing that the Social Democrat's small but crucial government partner, the Free Democratic Party, made in recent provincial elections in Hannover and Lower Saxony.

In a desperate attempt to give itself a clearer identity with the electorate, the party joined the opposition Christian Democrats in calling for a \$5 billion to \$7 billion stimulus package, thus effectively blackmailing Mr. Schmidt's Social Democrats to agree.

The fighting in Al Hadass — less than a mile from Mr. Sarkis' presidential palace in Baabda — peaked late yesterday. By this afternoon there was only occasional sniper fire.

Diplomatic and government sources said that there was no immediate prospect of reconciling the differences. Syria contends that a crackdown on the militia is necessary, and the ousted militant wants the Syrian troops that ended the 1975-1976 civil war to leave the country.

Mr. Sarkis met with Premier Selim al-Hoss and Foreign Minister Fuad Butoos and other top aides in emergency session. Government sources said that the palace was in contact with rightist leaders and the peacekeeping force command in a bid to end the clashes.

Rightist officials said that at least 10 persons were killed and as many as 80 wounded by Syrian artillery, mortar and rocket-propelled grenade fire yesterday. No Syrian casualty estimates were released.

The fighting, the worst since Syrian-Christian battles engulfed half of Beirut barely two weeks ago, punched holes in dozens of buildings along Al Hadass' residential roads. Dozens of families piled their possessions into cars this morning and fled in the direction of Christian coastal areas north of the capital.

Mr. Sarkis had threatened to resign over the fighting, but he took place July 1 to July 6. The clashes dissipated after Israel sent warplanes cracking sonic booms over Beirut and hinted at intervention to defend its militia allies if the clashes continued. Israel has not

A computer printout of test results from 1975 shows that 56.5 percent of the tires tested by Firestone from a warehouse stock awaiting shipment to General Motors failed to meet a critical government high-speed performance standard, the newspaper reported.

Firestone maintains that its tires are safe and has discounted the significance of the test results.

A failure rate of more than 50 percent is beyond tolerable limits, according to Frank Armstrong, head of the Standards Enforcement Division of the National Highway Traffic Safety Administration.

A lawyer with the federal agency said that a manufacturer is required to inform the secretary of transportation if it finds its automotive product contains a defect or does not comply with "an applicable federal motor vehicle safety standard."

**Vietnam Agrees To Negotiations With Chinese**

BANGKOK, July 24 (AP) — Vietnam has agreed to a Chinese proposal for a meeting of vice ministers of foreign affairs to negotiate the repatriation of ethnic Chinese from Vietnam, the official Vietnamese radio said.

The broadcast, monitored here, said that the proposal was accepted in an official note from Vietnamese Vice Foreign Minister Hoang Bich Son to the Chinese charge d'affaires in Hanoi. Vietnam suggested an Aug. 8 meeting in Hanoi "if it is convenient to the Chinese side."

A similar proposal was made by Vietnam in June, but China ignored the offer and authorized its representatives in Hanoi to negotiate with the Vietnamese.

China claims that more than 150,000 ethnic Chinese in Vietnam have fled to China because of persecution by Vietnamese authorities. China has stopped economic aid to Vietnam.

Vietnam denies that the Chinese have been persecuted and it has closed three consulates in China.

**Spanish Office Bombed**

SAN SEBASTIAN, Spain, July 24 (Reuters) — A bomb blew out windows on the ground floor of offices of the Treasury Ministry in San Sebastian early today, police said. No one was injured.



**JAPANESE BODY CHECK** — Air passengers are frisked by private security officers at the terminal in Tokyo before boarding a limousine bus to the new international airport at Narita. Passengers in Japan go through several security checks before boarding their designated planes.

## Sarkis Seeking to Defuse Syrian-Christian Conflict

BEIRUT, July 24 (UPI) — President Elias Sarkis met with top advisers today in an attempt to defuse a showdown between Syrian peacekeeping troops and rightist Christian militiamen. The Syrians have pounded a southeast suburb with shell and rocket fire for the last three nights.

The fighting in Al Hadass — less than a mile from Mr. Sarkis' presidential palace in Baabda — peaked late yesterday. By this afternoon there was only occasional sniper fire.

Diplomatic and government sources said that there was no immediate prospect of reconciling the differences. Syria contends that a crackdown on the militia is necessary, and the ousted militant wants the Syrian troops that ended the 1975-1976 civil war to leave the country.

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**Kenya Preserve Ravaged**

NAIROBI, July 24 (AP) — A spate of bush fires, believed started by poachers, has swept through a major Kenyan game preserve, destroying wildlife and hundreds of square miles of vegetation, the Daily Nation newspaper reported today.

**Crash Kills 2 U.K. Pilots**

MOENCHEN-GLADBACH, West Germany, July 24 (Reuters) — The pilot and co-pilot were killed when a British Air Force Phantom jet crashed today near the town of Hoexter, in northern West Germany.

## First Near Capital in War

## 3 Guerrillas Are Killed In Salisbury-Area Clashes

SALISBURY, Rhodesia, July 24 (AP) — After three days of military censorship, officials announced today that three black nationalist guerrillas were killed and two wounded in clashes with police during the weekend in two Salisbury black townships.

It is the first report of armed clashes in the segregated townships, about eight miles from the capital's center, since the escalating six-year war began.

A police statement said one guerrilla was seriously wounded Friday night after attempting to rob a beer hall in Mufakose township. The guerrilla opened fire with an automatic weapon when police moved in, and the beer hall was badly damaged in the ensuing battle, the police said.

The police said three guerrillas, "traced to a house in the Highlands township in follow-up operations," were shot and killed when they hurled grenades at police who surrounded the house.

Another guerrilla and a black onlooker were wounded in a third gunfight Saturday afternoon at a Highlands beer hall, the police said, when the terrorist attempted to throw a grenade at the police.

Smith Assails U.S. Stand

Yesterday, Prime Minister Ian Smith said that the Carter administration's refusal to support Rhodesia's new biracial government has sparked increased bloodshed in the six-year guerrilla war against his regime.

He said guerrillas of the Patriotic Front alliance might have accepted the transitional government's call for a cease-fire had the West supported the internal agreement he signed in March with three moderate black leaders.

Robert Mugabe and Joshua Nkomo, co-leaders of the Patriotic Front, rejected the internal settlement and vowed to step up their

war from bases in neighboring black African states.

The United States and Britain refused to support the interim regime and are continuing efforts to bring the guerrillas into new all-party negotiations.

**Amnesty Offer Cited**

"The [Rhodesian] security forces are in constant contact with members of terrorists as part of our safe-return policy," Mr. Smith said in a statement distributed by the South African Press Association.

He said some guerrillas wanted to accept the amnesty offer but voiced anxiety about the lack of U.S.-British support for the interim government.

Referring to the 106 guerrilla deaths announced by the government Saturday, Mr. Smith said, "this is not enough bloodshed for one day."

The government said the guerrillas were killed by the army in operations that followed the massacre of 39 blacks on a tribal reservation of Salisbury two weeks ago. In that attack, authorities said guerrillas opened fire at a political rally called by supporters of the late Ndebaningi Sibhole, one of the three blacks in the transition government.

## Forest Blaze Closes 2 Rome Runways

ROME, July 24 (AP) — Two of the three runways of Rome's Leonardo da Vinci Airport were closed today for one hour today after a fire broke out in a nearby pine forest, the police reported.

Airport authorities said the closure was necessary as smoke coming from the burning forest limited visibility for incoming and outgoing planes. During the closure in coming and outgoing air traffic used a third runway.

## West Reportedly Backs Namibia's Claim to Port

UNITED NATIONS, N.Y., July 24 (AP) — Western authors of a plan for South-West Africa's independence from South Africa have agreed that a disputed deep-water port would be included in the new territory, an official of the South-West African People's Organization said yesterday.

SWAPO is the black liberation organization that has been fighting a guerrilla war against white-ruled South Africa for control of the mineral-rich country known by nationalists as Namibia.

The SWAPO official said the Western negotiators meeting with SWAPO leaders in Angola earlier this month drafted a resolution calling for the re-integration of Walvis Bay into an independent Namibia.

Control of the bay was a sticking point in 15 months of negotiations by the five Western members of the UN Security Council — the United States, Canada, Britain, France and West Germany — aimed at arranging independence for the territory.

South Africa accepted the plan in April after the Western countries promised that the question of the bay would be left to future negotiations between South Africa and an independent Namibia.

**Western Plan**

The Western plan would be SWAPO's guerrilla war and provide for UN-monitored elections leading to independence. South Africa has administered the former German colony under a post-World War I mandate which has been revoked by the United Nations.

Security Council delegates were to begin private consultations on the Western plan today, with the Western powers seeking common ground in a vote, possibly tomorrow.

The plan does not mention Walvis Bay, the territory's only deep-water port, since the Western nations acknowledge South Africa's stand that Walvis Bay is legal part of South Africa.

However, a SWAPO representative said yesterday that the Western powers had joined SWAPO in drafting a resolution that would include the bay in Namibia.

Western diplomats have refused to comment on the Walvis Bay resolution. The SWAPO official also said the resolution was approved by the Security Council, which declares the territorial integrity and unity of Namibia must be assured through the re-integration of Walvis Bay within its territory.

Observers said the term re-integration was chosen because it could be interpreted as consistent with the West's stand that South Africa has administered Walvis Bay as were part of South-West Africa.

**Air Force Chief Is Ousted From Chilean Junta**

SANTIAGO, July 24 (AP) — The military junta that has governed Chile for five years today ousted one of its four members, Gen. Gustavo Leigh, who had publicly called on President Augusto Pinochet to speed up the return to democracy.

The government issued a statement saying that Gen. Leigh, the air force commander, was being stripped of both his military post and his seat on the executive body. It said he was being replaced in both positions by Gen. Fernando Matthei.

The three other members of the junta, which toppled President Salvador Allende in a bloody coup in September, 1973, are Gen. Pinochet, the army chief; Adm. Jose Merino, the navy chief; and Gen. Cesar Mendoza of the national police.

Gen. Leigh began his public criticism of the government early this year. In a magazine interview, he urged the junta to repair the international prestige of Chile by concrete acts showing that "we live in a state of law, with civilian participation."

Since January he has not appeared at public functions with other members of the junta.

## Belgrade Talks Of Nonaligned Nations Open

BELGRADE, July 24 (UPI) — Delegates from the world's non-aligned nations will meet tomorrow to discuss how to avoid domination by any superpower and how to ease conflicts among themselves.

The issue of foreign military intervention, the leading topic at last week's summit of the Organization of African Unity, was sure to figure prominently in debates at the ministerial conference of non-aligned nations opening here today.

While nonaligned nations do not belong to either Western or Eastern military alliances, they profess to be activist and not neutral like Switzerland.

About 70 foreign ministers of the 86-nation nonaligned movement planned to attend the conference here. Other countries will be represented by deputy foreign ministers or ambassadors.

A major task of the conference will be to ease disputes and armed conflicts between members.

## Germany to Try Paris Nazi Chief

COLOGNE, July 24 (Reuters) — The public prosecutor here has charged Kurt Lischka, Nazi Gestapo chief in wartime Paris, with complicity in murdering at least 33,000 Jews during World War II.

A spokesman for the prosecutor's office said today that Mr. Lischka would go on trial with two other former members of the Gestapo in Paris, Herbert Hagen and Ernst Heinrichs. They were indicted on June 28.

No date for the trial at the Cologne district court has been set and the accused will remain at liberty until proceedings start, the spokesman said.

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## Bonn Takes Tough Line On Currency Stabilizing

(Continued from Page 1)

in the West German Finance Ministry, said after today's talks.

Under the proposed new plan, France, Britain, Italy and perhaps other European countries would agree to link their currencies to the German mark and the four other currencies that currently float jointly against the dollar under the so-called "snake" arrangement.

While the precise details of this linking of Europe's currencies are still being negotiated, there is general agreement that member countries of the new plan should pool about \$50 million of their reserves in a special new fund to be used to defend their exchange rates against speculative pressures.

This morning West German Finance Minister Hans Matthöfer emphasized the need for belt tightening by European countries seeking to join the proposed zone of monetary stability when he said that members of the scheme should seek "a convergence of economic policies," according to conference sources.

Mr. Matthöfer said at the meeting that he preferred this phrase to the "symmetry of obligations" that British Chancellor of the Exchequer Denis Healey said all members of the new scheme should accept.

The West German government, with Europe's strongest economy and a very low rate of inflation, argues that weaker countries can only hope to lock their currencies to the powerful German mark if they reduce their inflation rates to Germany's level and generally follow

low its prudent economic policies.

The British, with quiet support from other high-inflation countries such as Ireland and Italy, agree that the Common Market nine cannot hope to keep their currencies in step unless they narrow present divergencies between their economic performance.

But the British argue that Germany must help bring about this harmonization in economic performance by expanding its economy faster to give a boost to other countries' exports and by helping the weaker European countries to modernize their industries.

What frightens weaker Common Market countries is the possibility that West Germany will try to hold down its fast-rising mark by linking it to Europe's less successful currencies to keep its export industries competitive without agreeing to assist other European countries improve their own export performance as well.

But during the Bonn talks, U.S. officials pointed out that the members of a successful and cohesive European currency bloc might still try to keep their currencies collectively undervalued against the dollar to promote exports and the jobs they create, while simultaneously keeping out U.S. imports.

**French Bomb Explosion**

CHAMONIX, France, July 24 (Reuters) — A bomb exploded in a mountain cable car station here early today causing extensive damage to machinery, police said.

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An international call is the next best thing to being there.

JPL 10150



## Congress in Cost-Cutting Mood

# Carter's Foreign-Aid Bills Facing Tests

By Mary Russell

WASHINGTON, July 24 (WP) — Election years traditionally spell trouble for foreign-aid bills in Congress, since they are measures whose constituency does not vote. But this year those troubles have been greatly compounded first by Congress's cost-cutting mood, then by Congress's desire to weigh in with its own directions in setting foreign policy and finally by differing interpretations of the humanitarian rights issue that President Carter has raised.

It adds up to some important tests for the Carter administration in the coming weeks. The first test comes in the Senate this week, when the administration, after heavy lobbying, seeks to have a congressionally imposed embargo on military aid to Turkey lifted despite strong congressional opposition. Mr. Carter has called it the most important piece of foreign policy legislation on Capitol Hill. The vote is expected to be close.

### McGovern Amendment

However, an amendment by Sen. George McGovern, D-S.D., lifting the embargo, but conditioning future military and economic aid on progress in settling the Cyprus issue, has been deemed acceptable by the administration and may offer fence sitters a way out. Congress-

sional leaders on both sides support the McGovern amendment. A McGovern aide said, adding that it may tip the balance in favor of the administration. The House will act on the military-aid bill and the embargo later.

On the second test, the picture is bleaker for the administration. The administration will probably be unable to avoid either wholesale spending slashes or imposition of broad new restrictions on aid when a \$7.4-billion, foreign-aid appropriation bill comes up in the House.

The Democratic leadership has pulled the bill from the schedule several times, and even considered junking it in favor of a simple resolution continuing aid at last year's rate. But cuts and restrictions could be added to the continuing resolution, too, so the leadership has tentatively decided to take up the bill Aug. 1 or 2, and salvage what it can.

It is hoped that the traditionally more liberal Senate will repair the bill enough to allow a measure that is at least palatable to Mr. Carter come out of a House-Senate conference. However, the Senate is in a cost-cutting mood, and some are predicting that a continuing resolution will be the best the administration can get.

Three years ago, in reaction to Turkey's invasion of Cyprus with

U.S.-supplied weapons, Congress voted to end military aid to Turkey. The intention was to force Turkey to a settlement of territorial issues in Cyprus.

Though Mr. Carter supported the embargo during his presidential campaign, the administration now says that the embargo has not worked, and, in fact, Turkey will not negotiate while it is on. The administration says that it has jeopardized the U.S. alliance with Turkey and Turkey's role in NATO.

The administration appeals have run into heavy lobbying by the U.S. Greek community and the determination of what is being called "the Gang of Four" — Reps. John Brademas, D-Ind., and Ben Rosen, D-N.Y., and Sens. Paul Sarbanes, D-Md., and Thomas Eagleton, D-Mo.

### Committee Votes

The House International Relations Committee voted to lift the embargo by one vote, but the Senate Foreign Relations Committee opposed its repeal on an 8-10-4 vote.

Under Sen. McGovern's amendment, aid could be given to Turkey, Greece or Cyprus only if the president certifies progress in negotiations, or that aid would contribute to progress. As an inducement to Greece, Sen. McGovern would lift Greece's military aid from \$140 million to \$175 million.

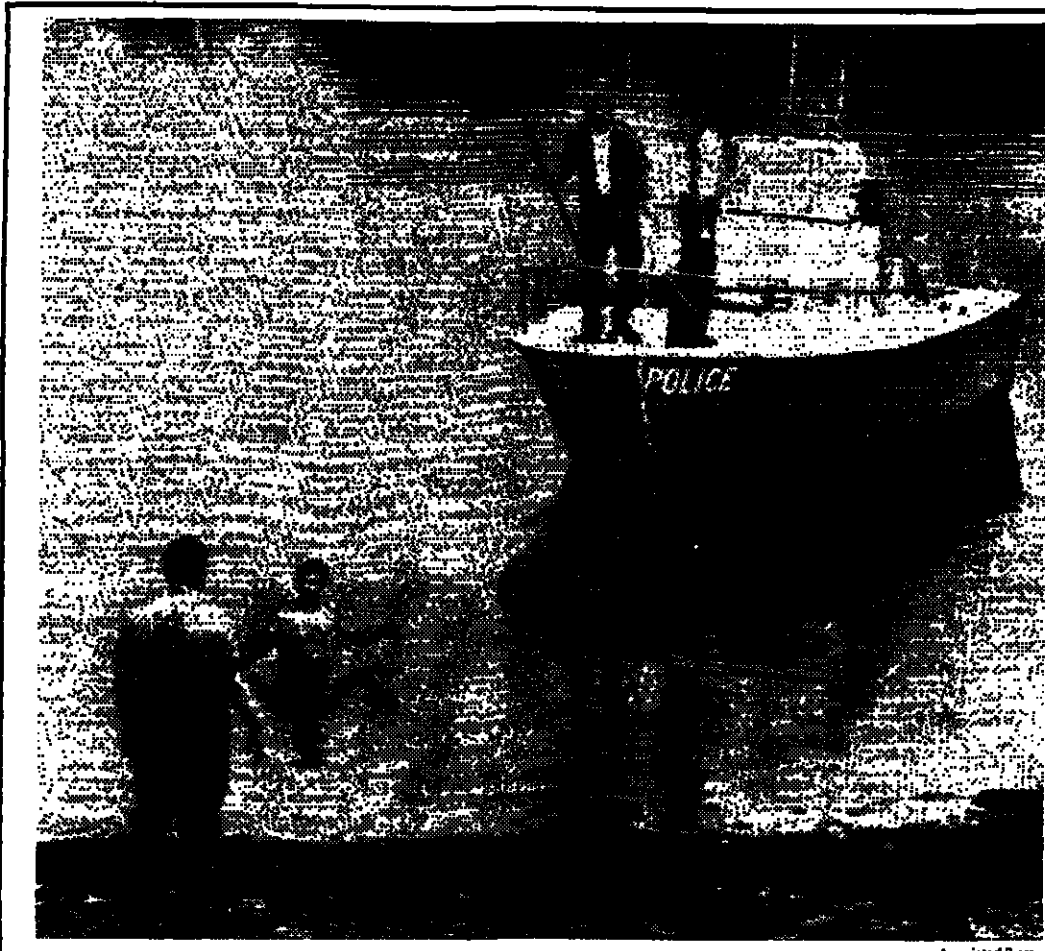
Another issue in the \$2.8 billion military-aid bill is the transfer of \$800 million in arms to South Korea in preparation for the U.S. withdrawal of forces. Some think the United States should not give South Korea the arms, some think it should not withdraw and the House is on record as being against further aid to South Korea unless it cooperates in getting its former ambassador to testify before the House committee investigating the Korean influence-buying scandals.

An attempt will also be made to direct U.S. representatives to vote against loans to countries violating human rights. Although the Senate dropped that position last year, it is likely to be offered in the House again.

## IBM Office in Turin Damaged by Bomb

TURIN, July 24 (AP) — A bomb blasted the front of an International Business Machines office last night, damaging the building and shattering nearby windows, police said today. No injuries were reported.

An anonymous telephone caller told the offices of the Italian news agency ANSA that the attack was carried out by "Revolutionary Action," a little-known extreme leftist organization.



MUDDLED ESCAPE — Like it or not, a suspect who fled police is about to be plucked from the muddy lagoon where he got himself stuck in New York. Police said the man had stolen \$20 and a pair of women's shoes from two motorists at Orchard Beach Saturday.

## Reporter Gets 6 Months In Refusal to Yield Notes

HACKENSACK, N.J., July 24 (AP) — Myron Farber, a reporter for The New York Times, was sentenced to six months in Bergen County Jail today after he and the newspaper were found guilty of contempt for refusing to turn over notes in the Dr. X murder trial of Dr. Mario Jascalevich.

The Times was fined \$100,000 and Mr. Farber was fined \$1,000 by Superior Court Judge Theodore Trautwein, who ordered payment within 24 hours. Attorneys for the newspaper and Mr. Farber asked for a stay of sentencing pending appeal.

There was no immediate comment from The Times or Mr. Farber.

Judge Trautwein earlier had said that Mr. Farber and the newspaper were both guilty "beyond any reasonable doubt."

It was the reporter's 1975 investigation of five deaths at Riverdel Hospital in Oradell in 1965 and 1966 that led to Dr. Jascalevich's indictment on five counts of murder.

"What is at issue here is not Dr. Jascalevich's right to a fair trial, or a reporter's right to stand above the law," Mr. Farber told the court. "The issue is a right of the public through its press to be informed."

### Defends Refusal

He maintained that the order to turn over his files to the trial judge for a confidential inspection "asks me to violate confidences." "This I cannot do," he said that if he gave up the files he would undermine his professional credibility.

Although the defense in the Jascalevich trial maintains that access to the notes is vital, Mr. Farber said: "There is nothing in my notes

which would establish guilt or innocence for the trial court."

Dr. Jascalevich is accused of murdering five patients at Riverdel Hospital 12 years ago by administering lethal doses of the muscle relaxant, curare. The trial, in its 22d week, was to be recessed today because of the contempt hearings.

Eugene Scheiman, representing The Times and Mr. Farber, has argued that the New Jersey courts lack jurisdiction over Mr. Farber. A bench warrant had been issued for Mr. Farber's arrest. He appeared last week in the New Jersey courts only after he was ordered to do so by a New York Supreme Court justice.

## Tornado in Pennsylvania Causes Death, 60 Injuries

NEW YORK, July 24 (AP) — A tornado struck western Pennsylvania yesterday afternoon, killing at least one person and injuring nearly 60 others as it roared through the Allegheny Valley. The twister downed utility poles, overturned mobile homes and uprooted trees. A campground was flattened.

In the East temperatures pushed toward and sometimes exceeded 100 degrees Fahrenheit. Several records were set for July 23 from northern Virginia into southern New England. Heat beat down on the West as well, where 90-degree readings were reported in Montana. In Idaho, many cities sweltered in temperatures that met or exceeded 100 degrees.

In New York City five persons were taken to hospitals after losing consciousness because of a broken unconscious in their rooms at the 200-bed Fairview home. By mid-

## 2 Seize Nudist, Paint Him on Corsican Beach

AJACCIO, Corsica, July 24 (AP) — Two men with brushes and a can of orange paint seized a French male nudist and covered him from head to toe, police said.

The incident took place last week at the Pinarella beach on the west coast, which generally is used by families. Some bathers have protested the presence of nudists, saying that there are many isolated beaches where they could go.

Police said that the two men escaped and the nudist, a 36-year-old engineer from Paris, filed a complaint accusing them of assault.

## Belgians Arrest Man In Slaying of Bracht

ANTWERP, Belgium, July 24 (Reuters) — Police said today that they had arrested a man in connection with the kidnapping and murder of Belgian millionaire Baron Charles Bracht. The man, Marcel Van Tongelen, was arrested last Thursday in Antwerp where he lived under an assumed name, police said.

## Belgians Arrest Man In Slaying of Bracht

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## 8,000 Visit Family's House

# Jesus' Image on Tortilla Draws 'Pilgrims' in U.S.

By Nicholas C. Chriss

LAKE ARTHUR, N.M., July 24 — A small, weather-beaten green stucco house on the edge of this dusty farm hamlet in southern New Mexico has become a shrine of sorts to many persons since a morning last October.

It was when Maria Rubio was rolling a tortilla, a thin round cake of unleavened flour or corn usually eaten with a meat or cheese filling, that she "noticed something which looked like a face."

A striking pattern of fine skillet burns appeared on the edge of the flour tortilla, and Mrs. Rubio said in an interview, she had stood there looking at it, "feeling chills in my body."

What she saw, she said, was an image of the face of Jesus Christ, in the classic, mournful romantic pose of the "shroud of Turin," with a wreath of thorns on the head and shoulder-length hair.

### New York Visitors

Since that day, more than 8,000 persons have visited the home of Mr. and Mrs. Eduardo Rubio, where the water-size image is now enclosed in a glass case. Some of the visitors, the family reported, came to laugh but stayed to pray. Some were unbelieving. Some were amused. But the family said that almost all of the visitors had been impressed by the image. They still come, almost daily, mostly from New Mexico but also from New York, Michigan, California and other states.

Mrs. Rubio and her family call the image "Jesus on a tortilla," and its story has spread slowly across the country, mainly among Hispanic persons. Almost all the names of the guestbooks signed by visitors are Hispanic.

Tortillas are a mainstay in the diet of the poor Mexican-Americans who inhabit this dusty, hot area, working as farm laborers. Mr. Rubio sometimes has been a migrant worker, going to Kansas with his family to earn money.

The tortilla with the image has not deteriorated, to the surprise of the Rubios, who say that tortillas usually do not last longer than five or six days before they fall apart. And what appears to be a picture of the head of Christ is clearly visible and uncannily like many romanticized portraits of Christ.

Mrs. Rubio said that word of the "Jesus on a tortilla" had spread throughout the area about 200 miles south of Albuquerque, and in the first few days several hundred persons a day had come to see it.

After she noted the face, Mrs. Rubio said, "I took the tortilla to church the next day," referring to the Our Lady of Guadalupe Mission across the street. The priest, the Rev. Joyce Finnigan, was not there, because he serves several Catholic missions. But Mrs. Rubio finally found him at the mission in Dexter, 17 miles away.

The priest cautioned her that it was simply an accident or coincidence, but he reluctantly agreed to bless the tortilla for Mrs. Rubio anyway. "I know it was no accident. It was my miracle," she said.

"Since Mrs. Rubio came to me," the priest said, "I've tried a lot of tortillas, and I've found that if you do it often enough you'll get a lot of things."

### Caution From Archbishop

Archbishop Robert Sanchez said, "The Archdiocese of Santa Fe cannot, at this time, encourage devotion at this site and advises all to proceed with caution."

Mrs. Rubio speaks no English and has never had any formal education. The family's income is about \$6,000 a year. The family charges no fees to the visitors who come to see "Jesus on a tortilla," but it has received donations to build a small shrine in the back of

the house. "The archbishop said, however, that we could not do this," Mrs. Rubio said. So they have added a small room to their house, decorated with holy pictures, flowers and burning candles, where the image is kept.

She said that the image had made some changes in the Rubios' life. For one thing, they all go to church now, she said, and her husband, who was a heavy drinker, no longer drinks.

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## 2 Inmates, Guard Killed In Georgia Prison Riot

REIDSVILLE, Ga., July 24 (AP) — Two inmates and a guard who were taken hostage were stabbed to death yesterday during a two-hour riot at racially troubled Georgia State Prison, authorities said.

Three other guards were also taken hostage, and one of them was stabbed at least 10 times in the neck, head, chest and arms and suffered a collapsed lung, a hospital spokesman said.

The riot broke out as inmates in separate wings of the complex were taken out of their dormitories for dinner, according to Sara Passmore, an official of the state prison system.

### Under Control

Mrs. Passmore said that the disturbance was begun by a group of black inmates who overpowered four security officers — three whites and one black — and took them hostage. Inmates then set fire to "bedding and things like that," she said.

bance under control within a couple of hours. She described conditions at the prison last night as "tense but under control."

All three dead men and the injured guard were white, Mrs. Passmore said, adding that "there are not enough facts" to determine whether the riot was racially motivated.

Each of the buildings has four dormitories. Three house black inmates and one houses white inmates. Mrs. Passmore said, A U.S. judge recently ordered the dormitories segregated by race in the wake of several incidents at the prison this summer that killed two inmates and injured about 30.

Last month, Georgia Gov. George Busbee ordered more than 600 of the 2,895 inmates at the prison transferred to other state institutions.

On Saturday, three prison guards were killed in a riot at the Pontiac Correctional Center in Pontiac, Ill. It was the second major disturbance in four days at an Illinois state prison facility.

## To Protest Arrest of Employee

# U.S. Firm Suspends Soviet Trade Talks

By Jim Hoagland

WASHINGTON, July 24 (WP) — International Harvester Co. has suspended trade negotiations with the Soviet Union and is asking other U.S. corporations to send protests to the Kremlin in a campaign to secure the freedom of a Harvester employee facing trial on currency violation charges.

At least two other U.S. multinational corporations trading with the Soviet Union have responded to a confidential Harvester appeal and have sent protest messages to the Soviet government. About 20 U.S. firms and the International Chamber of Commerce have reportedly received requests for support from the Chicago-based equipment manufacturing company.

Harvester is not asking any other company to follow it in suspending business activity with the Russians as a way of obtaining the freedom of Jay Crawford, who was arrested June 17 and held for 15 days before being released in the custody of U.S. Ambassador Malcolm Toon to await trial.

But the campaign to build a front of protest by U.S. companies marks an embryonic, potentially significant shift.

### Intense Debate Expected

Until now, the U.S. business community has determinedly sought to keep Soviet trade insulated from swings in U.S.-Soviet political relations. Harvester's move is certain to be debated intensely by business groups that have large interests in U.S.-Soviet trade.

That debate will be carried out in part in private meetings of businessmen now being called to discuss not only the Crawford case, but also President Carter's decision last week to cancel the sale of a high-technology computer to the Russians and other actions that have drawn trade into the policy debate on detente. The White House and the Kremlin are being blamed by business groups for this unwelcome development.

The political overtones to the International Harvester appeal were in evidence at a meeting last Monday at the State Department between Harvester Chairman Brooke McCormick and Deputy Secretary of State Warren Christopher. Mr. Christopher indicated support for the Harvester approach to other companies, according to an account of the meeting, and promised to telephone some of the companies.

A spokesman for Mr. McCormick confirmed a meeting with Mr. Christopher and the appeal to other companies for support on the Crawford case, but declined to go into detail.

[According to an Associated Press report from Moscow, sources said that International Harvester's

new attitude was prompted by the advice of Marshall Shulman, an assistant secretary of state and the Carter administration's ranking Soviet expert, after businessmen and diplomats in Moscow objected to the company's handling of the situation.

[Other sources said that Armand Hammer, chairman of Occidental Petroleum and one of the most respected U.S. businessmen among the Russians, has written to President Leonid Brezhnev asking him to intervene in the case "as a personal favor."]

The Russians released Mr. Crawford, the No. 2 representative in Harvester's two-person Moscow office, only when the United States agreed to release two accused Soviet spies, now in the custody of Soviet Ambassador Anatoli Dobrynin. Reports of U.S. efforts to arrange a trade of the two Russians for imprisoned Soviet dissident Anatoli

Shcharansky have raised hope among some businessmen that Mr. Crawford's release can be negotiated as part of that deal.

### Vance Cites Determination

WASHINGTON, July 24 (NYT) — Secretary of State Cyrus Vance said yesterday that recent actions taken by the Soviet Union against domestic dissidents had caused a "setback" in Soviet-U.S. relations, but he said that the Carter administration was determined to continue to speak out on human rights.

Mr. Vance called the trials of dissidents in the Soviet Union "despicable actions" and said that the administration's criticism of Moscow's behavior had been echoed in capitals "all around the world," including comments by Communist parties in Western Europe.

## Study Predicts Extinction Of Many Plants, Animals

By Deborah Ward

WASHINGTON, July 24 (HTT) — Many plant and animal species will disappear by the end of the century if current development patterns persist, according to a Worldwatch Institute study by Erick Eckholm.

The world loss of species poses a major ecological and social challenge which, if not met in the near future, could "change the nature of life on this planet for all time," Mr. Eckholm said.

The report predicts large-scale extinction for species in the biologically rich, scientifically uncharted tropical zones of Africa, Asia and Latin America. Booming populations, inequitable development patterns and international demands for tropical products are forcing rapid clearance of rain forests, dooming unknown numbers of plants and animals.

### Increasing Threat

Throughout the rest of the world, the destruction of natural habitats by pollution, agricultural growth and population overcrowding is an increasing threat to plant and animal life. In fact, Mr. Eckholm said that the overriding conservation need must be the protection of as many varied habitats as possible.

He stressed that the preservation of habitats is essential not only to insure survival of existing species, but to enable scientists to tap yet undiscovered species. Only a fraction of the earth's plant species has been screened for medical ingredients. A Harvard biologist said the mid-twentieth century discovery of "wonder drugs" from natural sources clearly shows that the plant kingdom represents a virtually untapped reservoir of new chemical compounds.

Mr. Eckholm added that it is important to realize that "plants and animals serve a variety of crucial industrial, medical and scientific

purposes. In an age of plastics and moon shots, few people appreciate the extent to which humans remain dependent on natural products."

Aside from the irreversible loss to science, the disappearance of species also indicates "how well we manage our environment," according to ecologist Lee Talbot. For example, the plight of the snail darter signals the loss of the last free-flowing river in the Tennessee area.

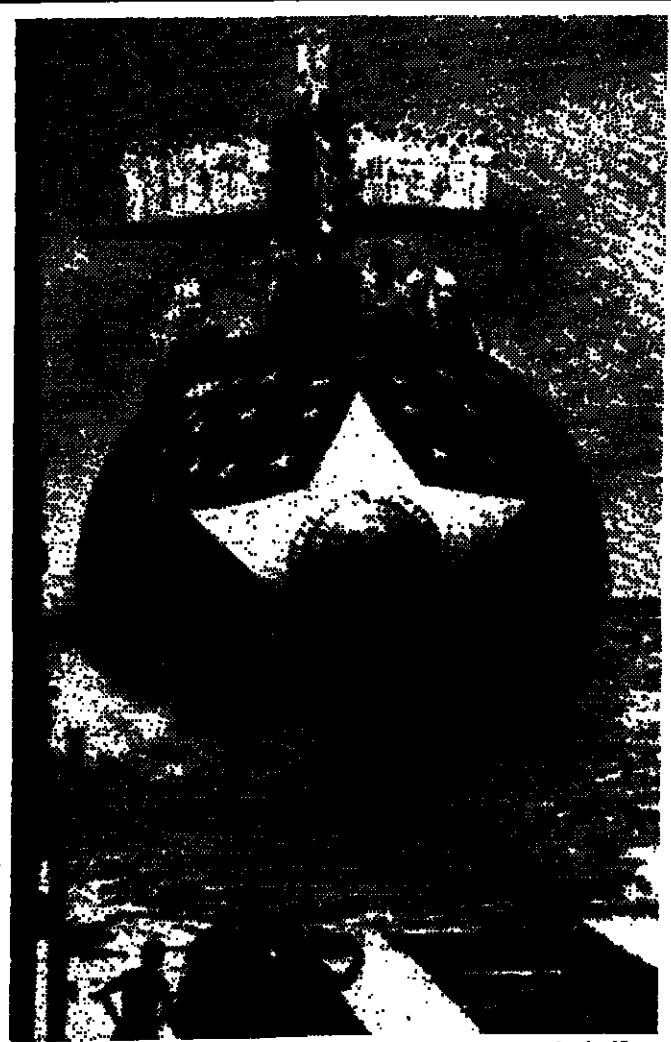
The disappearance of fish from New England lakes points out the high level of toxic chemical pollution in that region.

Mr. Eckholm said that there are a number of ways to cut the dangers to plant and animal life. He noted that many countries are creating large natural land reserves. Kenya, which now bans all sales of animal-derived souvenirs, and Tanzania both have implemented extensive conservation policies. A few tropical countries, including Colombia, Costa Rica, Peru, Thailand and Venezuela, also have recently established land reserves.

UNESCO is coordinating a "Biosphere Reserve System," which is far from complete, but under which 35 countries have established 144 ecological reserves to protect biological and genetic diversity.

## 2 Mothers in Israel Keep 'Wrong' Babies

HAIFA, Israel, July 24 (UPI) — Two mothers who took the wrong babies home from the hospital now refuse to give them up, the government television network reported yesterday. Blood tests proved that the babies were switched six weeks ago, but the mothers insist on keeping them, the report said. The mistake was blamed on lost identification tags.



FIRST DIP — U.S. nuclear submarine Bremerton hits the water for the first time during launching ceremonies in Groton, Conn., shipyard. The Bremerton was christened by Mrs. Helen Jackson, wife of Sen. Henry Jackson, D-Wash.

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## For Holding Firm on Rhodesia

U.S. policy in Rhodesia has hung for a year on the slender hope that there would yet come a moment in that country's bloody civil war when all the parties would rather talk than fight. This week, congressional critics of that approach will make a major effort to force a change. They are tragically misguided. Their prescription is likely only to prolong the war and to assure that whatever black regime eventually comes to power will be militantly anti-U.S. in a country from which whites have fled, its infrastructure destroyed.

The challenge is led by Sen. Jesse Helms of North Carolina and other influential Republican conservatives. They argue that since the "internal settlement" devised last March by Prime Minister Ian Smith will lead to a black government, the United States should accept it and cease to obey the United Nations trade sanctions that were meant to bring blacks to power. Sen. Helms wants to amend the foreign aid bill to require just that.

The trouble with this approach is that the internal settlement — fashioned under the pressure of intensified war — came too late. A few years ago Rhodesian blacks might have welcomed a scheme that gave them political office even though it left control of the country's economy and public service in white hands. Even Joshua Nkomo and Robert Mugabe, the rival leaders of the Patriotic Front guerrillas, might then have settled on that basis. But now they won't and neither, apparently, will their many followers among Rhodesian blacks. The Smith regime's hold on the country is visibly slipping.

Lifting sanctions and endorsing the internal settlement now would end all remaining hope of bringing all black factions into an agreement to submit to elections supervised by the United Nations. That is the essence of the British-U.S. proposal that has been held out over the past year as the only way to end a destructive civil war. To abandon the idea

now would be to encourage Rhodesia's white minority of 3 percent to try to tough it out without further concessions. And it would persuade the guerrilla leaders and the leaders of neighboring African states that the West will hold out for genuine majority rule in Rhodesia. The overwhelming odds are that the guerrillas and "front-line" neighboring states would then accelerate the war, perhaps with Soviet and Cuban support, and that — eventually — they would win. But their "victory" would leave the new state of Zimbabwe a shambles. And U.S. policy in Africa would be left bankrupt, having backed not only the wrong side but the losing side.

Not much better than Sen. Helms' approach is a compromise amendment, put forward by Sen. Clifford Case of New Jersey and Sen. Jacob Javits of New York. It would require the president to lift sanctions once he determines that there is in Rhodesia an elected government willing to negotiate with its enemies. Reasonable as this sounds, it is no solution. In the absence of an outside supervisory force, no credible elections can be held; the existing security forces can hardly be trusted to let their enemies stand for office — and perhaps win. And even if fairly run, the elections would choose a government committed by Mr. Smith's internal settlement to reserve real power for the white community. There would be no way for blacks to express disapproval of that settlement.

The right course for Congress is to leave the administration free to observe the sanctions while pressing for a fair and impartial transition to true majority rule. That approach has understandably little appeal for Americans, who do not like standing by while a cruel war escalates. If reason is to fail in Rhodesia, as it may well have failed already, let it at least be clear that the United States tried to do right. Having brought his country to this tragic pass, Mr. Smith has no claim on U.S. policy or sympathy.

THE NEW YORK TIMES.

## Lift Turkish Arms Embargo

Jimmy Carter was right on the mark when he said the forthcoming Senate vote to lift the Turkish arms embargo is the most important piece of foreign affairs business the Congress has left in this session. It's really quite simple. If the embargo is lifted, diplomacy gets a chance to start healing the wounds in Cyprus, the rent in Turkish-Greek relations, the strain in Turkish-U.S. and Greek-U.S. relations, and NATO's whole sorry disarray in the eastern Mediterranean. If the embargo stays on, everything gets worse.

The argument has been cast in pro-Turkish and pro-Greek terms, but that is misleading. There is a great deal in it for both Turkey and Greece, and for both Turkish and Greek communities on Cyprus, if the stalemate signified by the embargo is broken. The United States has gone to considerable lengths to make that case, explaining the vista that lifting of the embargo would open, removing the previous administration's pro-Turkish tilt in military aid, and supporting Greece's wish not to be muscled by Turkey in the Aegean Sea dispute. The administration has also labored, successfully, to induce the Turks to offer a new Cyprus position conducive to negotiations. Ankara's position is not yet what Athens and the Greek Cypriots want it to be. The way to improve it is by the talks that would surely follow a lifting of the embargo.

The Greek lobby is hanging tough. That has led Sen. George McGovern, D-S.D., to offer an imaginative way out. Mr. McGovern can hardly be described as someone dominated by the strategic concerns that, for good reason, guide the views of many others who wish to end the embargo. He is sympathetic to the division and hardship on Cyprus. Mr. McGovern suggests lifting the embargo, while linking future Turkish aid requests (including arms sales) to a presidential certification of good-faith diplomacy. His amendment is designed to eliminate the stigma that the embargo is for Turkey, but to retain a nonhumiliating form of encouragement to the Turks to continue moderating their policy. The administration supports this approach.

Let us underline the essential point. The embargo was at its outset a well-meant, legally mandated protest against the use of U.S. arms for the occupation of almost half of Cyprus. But experience has proven it to be destructive of the purpose it was meant to serve — reducing the occupation — and of much else. The embargo stands now simply as a hostile act against an ally, and one not in the slightest endorsed by any other NATO ally — except for Greece. The Senate should end it in the manner suggested by Mr. McGovern.

THE WASHINGTON POST.

## Open Doors for Indochinese

The Carter administration has recently taken two important steps toward fulfilling the nation's obligation to the refugees from Vietnam, Laos and Cambodia. It will admit 25,000 more refugees before next May under the president's "parole" authority, raising to 197,000 the total number authorized to enter the United States since the fall of Saigon in 1975. To date, 164,000 have arrived. In addition, the State Department has declared that refugees plucked from boats at sea by U.S. vessels will be admitted to the United States if they find no other sanctuary. The purpose is to set an example that might end the cruel refusal of many ships — in violation of law and decency — to pick up Vietnamese boat people because no one will receive them ashore.

Even this, however, seems inadequate. The number of Vietnamese reaching a foreign port increased from 1,500 a month in January and February to almost 5,000 a month

between March and June. The total for this year may reach 35,000, of whom only 12,500 will qualify for the new U.S. quota of 25,000 established for all Indochinese. The other 12,500 will come from among Laotians and Cambodians escaping to Thailand, where more than 100,000 have gathered even though many are being turned back by the Thais.

The United States clearly will have to provide for still more to enter while urgent pleas to admit refugees are addressed to other prosperous nations. Cambodians will need special consideration, because few can qualify under the priority given by the State Department to refugees with close kin in the United States or a record of service to the U.S. government. The dispossessed of Southeast Asia, uprooted by war and revolution, are still in desperate straits.

THE NEW YORK TIMES.

### In the International Edition

#### Seventy-Five Years Ago

July 25, 1903

BRUSSELS — Criticism by the secretary of Germany's Colonial Society of Belgian trade practices in the Congo Free State has provoked a sharp reaction from officials here. Government sources have claimed that a critical letter from the Duke of Mecklenburg, secretary of the society, uses erroneous figures to support its contention that Belgian tariffs have effectively barred both Germany and Britain from trading with Central Africa.

#### Fifty Years Ago

July 25, 1928

LONDON — Anti-British unrest in southern India led to one death last night, when a train derailed after the tracks were sabotaged by striking railroad workers. Similar acts of sabotage were reported throughout India, and in Poona, the arrival of Bombay's governor-general to open the legislative council was met by hostile demonstrations on the part of a crowd of students. The recent unrest in India comes in the context of the opening of preliminary talks here over the question of home rule for India's native states.



## China: A Balance of Terror

By Donald Kirk

NEW YORK — The prospect of opening full diplomatic relations with the People's Republic of China rests on the familiar strategy of striking a balance of terror.

In this instance, however, achieving a balance is considerably more complicated than one might infer from the much-publicized contention that the United States play the "China card" against the Soviet Union. The delicate balance is also dependent on a less-publicized effort to ensure the military needs of both the Communist regime on the Chinese mainland and the anti-Communist government of Taiwan.

The delicate tug-of-war among U.S. Chinese and Taiwan officials (interrupted only by aggrieved warnings from the Kremlin) could turn into an arms race — like those between the Arabs and Israelis, and the Greeks and Turks — in which the U.S. supplies both sides with vital equipment.

### Belated Drive

One underlying issue is Peking's desperate need for sophisticated U.S. technology — or at least for Washington's acquiescence to China's purchase of advanced forms of military hardware from our West European allies. If China's leaders believe the United States will help them in their belated drive to begin catching up with the Russians, according to one theory, they may not object to the Republic of China on Taiwan buying whatever it needs from the United States or other Western nations.

The compromise may be that neither China nor Taiwan buys U.S. arms but that both buy arms from Western Europe. Some analysts claim the Western nations could keep China and Taiwan from fighting each other by cutting off the arms flow in the event of a real threat of conflict. It is the same sort of wishful thinking propounded whenever Washington has fallen into the deadly trap of arming bitter enemies.

Others argue that China would lose half its air force, including 4,000 or so outdated MIG-17s, 19s and 21s, in a confrontation with Taiwan, while Soviet forces exploit that distraction to attack across the 4,500-mile Sino-Soviet frontier. Experts do not believe that China's navy, consisting of only a dozen or so destroyers and 16 submarines to accompany a few hundred landing craft, is big enough to send an army across the choppy Formosa Strait, 90 miles wide at the closest point. And even after a substantial buildup, China could hardly wage war on two distant fronts.

The arms-supplying Western nations might well discourage Taiwan from mounting a surprise attack on the China coast by providing technology, as one Far Eastern specialist put it, "for defense against China but not of offensive capability." In other words, the heirs to the legacy of the late Generalissimo Chiang Kai-shek would have to abandon their often-stated vow to return to the mainland.

### Simple Enough

That provision seems simple enough since Taiwan's leaders, for all their declarations and promises, are much more concerned with developing their prospering industrial and mercantile economy than with waging a real war. If China and Taiwan seem unlikely to fight each other, however, the question remains why Taiwan needs the right to buy any Western military equipment at all. Local industry already produces most of the basic infantry weapons and vehicles needed to

equip Taiwan's 460,000 soldiers, sailors and airmen.

A stock answer to the question is that Taiwan, assiduously supported by U.S. aid from World War II onward, already faces a severe enough shock in the form of U.S. "betrayal." The United States has long since indicated it would meet Peking's three basic "requirements" — withdrawal of the last few hundred U.S. military people from Taiwan, abrogation of the security pact binding it and the United States and transfer of formal recognition from Taiwan to Peking as the legitimate government of all China. Washington and Peking then could "normalize" relations and elevate their "liaison offices" in each other's capitals to embassy status, all in accordance with the communiqué signed in Shanghai by President Richard M. Nixon and Premier Chou En-lai in February, 1972.

But in private, off-the-cuff remarks in Washington, President Carter is said to have alluded to three U.S. conditions: the right of Taiwan to purchase U.S. arms; a Chinese guarantee not to attack Taiwan; and Chinese agreement to the presence of an U.S. economic mission on Taiwan similar to the one Japan has maintained there for six years, since it opened diplomatic relations with Peking.

The president let slip these conditions at a meeting of the Trilateral Commission, the top-level "study group" that Zbigniew Brzezinski ran until he became Carter's national security adviser last year. The president deliberately kept his comment off the record so that China would not have to reject the conditions.

Not at all coincidentally, the

administration, after Brzezinski's return in May from a crucial three-day Peking visit, had already reversed an earlier decision not to sell China an oil-deposit scanning device also capable of spotting hostile submarines. The sale, for less than \$3 million, doubtless is seen in both Peking and Washington as a harbinger of a series of similar technology-transfer deals.

### Fancy Stepping

All the fancy stepping comprises a delicate diplomatic dance to a familiar tune: the right to buy and sell arms against mutually escalating threats. Neat though the footwork may appear, it still casts the United States in the unsavory role of arms merchant to a volatile world.

What would happen, for instance, if the Soviet Union were to cozy up to Taiwan in a drive against the mainland — or if Japan were to ally with China against the Russians? Farfetched though these scenarios may appear, they are not totally out of the question.

In making the arms trade a basic condition of relations with both Peking and Taiwan, Washington has entered into a long-range high-risk deal. It appears all the riskier since no one seems to have considered the danger of an explosion in defiance of orderly rules of logic — but that's the way wars so often begin.

Donald Kirk, a New York-based writer, who recently returned from a tour of China, participated this summer in a high-level seminar on U.S. foreign policy at the Massachusetts Institute of Technology. He wrote this article for the Los Angeles Times.

## Letters

### Churchill the Seer

Hardly a day goes by without some dramatic reminder of Winston Churchill's predictions about the Soviet government. So it was comforting to hear the U.S. president's condemnation of the recent trial of the Soviet dissidents.

Churchill used to say that "Stalin is a monster" because he found it easy to treat people as if they were "things." The latest trials, show us clearly that Stalin's successors are continuing the inhuman tradition of the Soviet leadership.

For an offensive during World War II, Stalin was pressing Churchill to provide him with 1,000 tanks. Stalin asked if he would be expected to pay for the tanks. Churchill told him he would — after the war. "No thank you," Stalin replied. "What's the difference between a 1,000 tanks and 1 million men? I can afford 1 million men."

We must not be fooled by Soviet attempts to justify or whitewash their actions with these so-called "show trials." Whatever the present U.S. ambassador to the United Nations may have in mind, there are still crucial and fundamental differences between the Soviet Union and the Western nations in their attitude to political opponents.

First of all, Soviet leaders may attack the United States for the treatment of its black citizens in the past but, whatever they say, black Americans are free to return to the West Indies or to West Africa, whereas the Jews in the Soviet Union are still prevented from going to live in Israel. After all, it was no coincidence that the Yom Kippur War was started on a day that used to be set aside in the Soviet Union

for anti-Jewish pogroms. Left to themselves, the religious instinct of the Arab peoples would have caused them to hold back from attacking a nation at prayer. Such events are not a matter of chance.

Secondly, for holding different views on political issues from their government, Americans are not sent to live in a climate hostile to human survival, or forcibly separated from their families for many years. Freedom of thought cannot be a criminal condition in a civilized country.

Thirdly, the lesson of the Soviet occupation of Eastern Europe must never be forgotten: The army that came to liberate remained to oppress for an indefinite time. As long as the Iron Curtain exists, mutual trust is impossible.

OSCAR NEMON.

Oxford, England.

### Tax-Cut Votes

The letter from Philip E. Newman of Paris (IHT, July 18) citing "an open conspiracy between the executive branch and Capitol Hill Democrats" ostensibly to win popular votes for the Democrats was based on a misinterpretation of the story he quoted in the IHT of July 6. The lead paragraph of the story, by Edward Cowan of The New York Times, said: "With rare candor about political purposes, Treasury Secretary Michael Blumenthal and several Democratic House taxwriters are trying to shape a tax-cut bill whose chief virtue, all hands concede, would be its ability to attract Democratic votes."

Mr. Cowan confirms that he meant votes in congress of Demo-

## John Dornberg From Munich:

### Finally, the Filbinger

affair has opened, somewhat belatedly, the Pandora's box of the whole innate immorality, illegitimacy and injustice of the Third Reich.

MUNICH — Great moral principles and practical politics, it would seem, have never been especially compatible.

Though it always poses somewhat of a dilemma, in the ultimate crunch, as history tends to demonstrate, a people tend to opt for the "my-country-right-or-wrong" and the analogous "you-can't-make-an-omelet-without-cracking-eggs" approach.

For West Germans, that dilemma — in historical retrospective — has assumed a haunting and rather current poignancy during the past week or so.

There is first of all the still lingering, of his Third Reich, case of Hans Filbinger, the Christian Democratic (CDU-SU) premier of Baden-Wuerttemberg, who until recently was being considered seriously by his party as the nominee to replace Walter Scheel next year as West Germany's president and head of state.

### Under a Cloud

Filbinger, you may recall, came under a cloud earlier this year because of his Third Reich case. He had a postwar role as a German Navy court-martial officer in Norway where he was responsible for the execution of one sailor on an attempted desertion charge and where, three weeks after VE-Day, while part of the administration in a British POW camp, he sentenced a soldier to six months' imprisonment for tearing the Nazi insignia off his uniform and calling superior officers "Nazi dogs."

The cloud, meanwhile, has become darker and heavier as more disclosures of Filbinger's complicity in wartime death sentences and his postwar dispensation of harsh, Nazi-style justice have been dredged up.

He does not challenge the facts, which would be difficult considering that the dossiers and records are found in archives and attest to their veracity.

Instead, what has turned the matter into a political and moral conundrum is Filbinger's own interpretation of those facts and his penchant for saying, as new cases have been made public, that he had "forgotten about them."

As one of Filbinger's own party cronies, former Interior Minister Hermann Hoehner, put it last week: "I cannot imagine how anyone could forget a death sentence has passed or an execution he has witnessed."

Be that as it may, the moral versus pragmatic dilemma posed by the case has several facets.

One is that Filbinger, more than any other prominent (CDU-SU) politician, has projected an image of himself in recent years as a paragon of law and order, a pillar of patriotism, and a model of morality.

Another is that, considering his own apparent unwillingness to draw the political consequences from his past, his party cannot decide how, let alone whether, to make him walk the plank. The predominant view in the CDU-SU seems to be a partisan political version of the classical "my country" theme.

Finally, the Filbinger affair has opened, somewhat belatedly, the

Pandora's box of the whole innate immorality, illegitimacy and injustice of the Third Reich.

The Holocaust, of which West Germans are too aware to have to be reminded by a U.S. television soap opera, can conveniently be ascribed to a small minority of political fanatics, pathological racists and inhuman murderers. One can also atone for it by dispensing billions of dollars in restitutions and compensation to the survivors and their ethnic and religious brethren.

It is quite another thing, however, or, and only lately penetrating the consciousness of West Germany's postwar generation, that the death sentences passed by Filbinger represent a minuscule fraction of the nearly 30,000 meted out to German servicemen by German military courts during the war.

That statistic raises the question: What kind of regime was this and was there no one with the moral conviction and courage to say so? Which brings us to the next matter: last Thursday's commemoration of the 34th anniversary of the abortive July 20, 1944 assassination attempt on Hitler.

### Under the Carpet

Up until a few years ago, largely because of the pervasive wish and inclination to sweep the entire "recent past" under the carpet of history, that was treated largely as a nonevent. Unfortunately, throughout most of the rest of the world, it is still regarded as such.

Granted, the plotters, let by Lt. Col. Klaus von Stauffenberg who planted the bomb near Hitler, were dilettantes and bungled the job. But they, and hundreds of others linked to them in the subsequent purge of conspirators, paid with their lives. Their attempt shines as one of the few rays of moral fortitude and genuine patriotic courage in an otherwise shameful and spineless cast.

West Germans now recognize that.

### Kangaroo Trials

Long-lost footage of the Nazi propaganda film of the conspirators' kangaroo trials before the infamous "People's Court" have now been unearthed. Excerpts from it were telecast nationwide the other night and a full-length documentary based on it is to be shown next year.

Yet, something about last week's commemoration leaves you wondering about this country.

Herbert Wehner, the veteran Social Democratic (SPD) Bundestag floor leader, was originally scheduled as main speaker for the ceremony at the West Berlin site where Stauffenberg and others were executed 34 years ago.

Wehner, a one-time Communist who fought Nazism from Moscow exile, withdrew at the last minute because of opposition from Stauffenberg's 40-year-old son, a CDU-CSU Bundestag deputy.

### Question Raised

July 20th commemorations, the younger Stauffenberg objected, allying to Wehner's Communist past, should not merely raise the question of "what one fought against but also for what one fought."

It is doubtful whether Stauffenberg's martyred father or other anti-Nazi plotters, quite a number of whom were extreme leftist and Communist, would have asked the question.

But it reveals the moral dilemma West Germans face in their still inchoate efforts to digest the past.

F. J. F.

Washington.

### Grateful for Young

The United States is fortunate to have Ambassador Andrew Young. I am sure there are a lot of U.S. citizens who feel more optimistic because he is there. As an American I am grateful to him and for him.

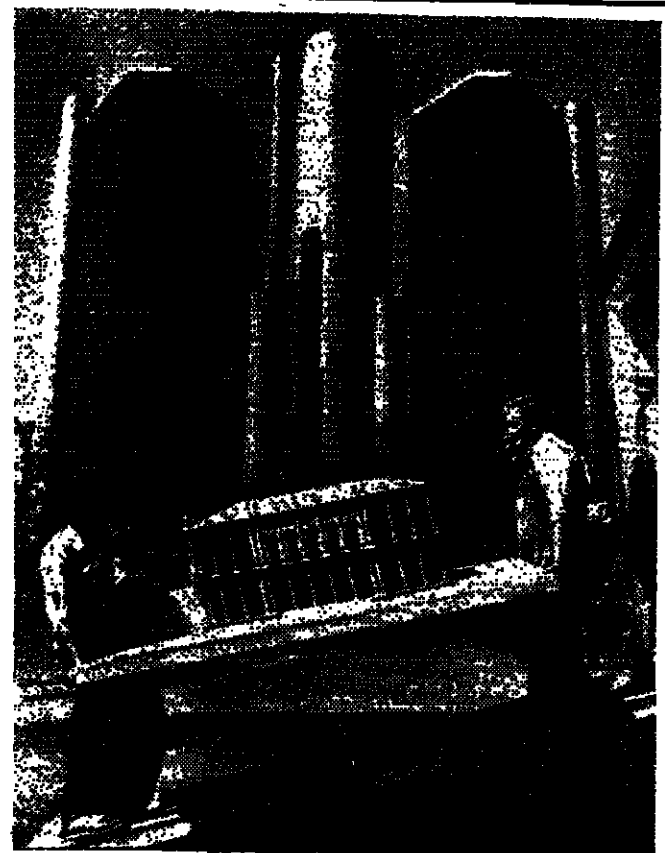
DOROTHY BURNET.

Paris.

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**CONTRAST IN RENAISSANCES** — The towers of Detroit's Renaissance Center dwarf the detailed model of the 16th-century Palazzo Chiericati of Vicenza, Italy, being unloaded by workmen. Twelve scale models of the works of the architect Andrea Palladio are on loan from the Italian government and will be on display until Aug. 20.

## Maritime Officials of U.S. Accused by Congressman

By Charles Mohr

WASHINGTON, July 24 (NYT) — Rep. Benjamin Rosenthal, D-N.Y., has accused officials of the Maritime Administration of "plundering the United States Treasury" by creating, administering and working closely with a maritime industry trade association.

Rep. Rosenthal made the statement last week after a day of often combative questions and answers at a hearing of his Subcommittee on Commerce, Consumer and Monetary Affairs of the House Government Operations Committee. He referred the matter to the Justice Department for possible prosecution and to the General Accounting Office for possible "recovery of misappropriated funds."

Robert Blackwell, assistant secretary of commerce for maritime affairs, denied wrongdoing. However, he said it was "a mistake" that he had not directed that another government official cease acting as executive secretary of the trade association, the National Maritime Council.

Directing his remarks to Rep. Robert Drinan, D-Mass., a priest, Mr. Blackwell said, "I have to do my best."

### Laughter Aroused

The hearing room broke into laughter when Rep. Rosenthal said, "Well, you are talking to the right man." Rep. Drinan joked that after giving absolution he might also dispense indulgences.

## Fake Sun May Fool Crabs Into Increase in Growth

PRINCESS ANNE, Md., July 24 (NYT) — A marine biologist in this quiet East Shore town is trying to fool crabs. He hopes to grow crabs commercially, much as millions of chickens are produced in this region, under artificial light that encourages 24-hour growth.

Dr. Stephen Rebach of the University of Maryland's Eastern Shore Campus has been studying crustaceans for three years. At the moment, his experiment involves 20 rock crabs, which are caught off the Atlantic coast. The experiments are being conducted in small, salt-water aquariums.

Dr. Rebach may be the first scientist to keep crabs alive out of their natural environment for more than a year. In the process, he has fooled the crabs into believing that a day is only 21 hours long.

This means that, if crabs can be geared to a 21-hour day under artificial light and more rapid feedings, the production of crabmeat, more and more in short supply because of heavy fishing of the popular blue crab, can be increased measurably.

Dr. Rebach's discovery that a crab's day can be changed by artificial sunrises and sunsets earned him a \$307,000 research grant from the U.S. Department of Agriculture. He hopes that one day the tidalwater region will be the scene of long, narrow houses similar to the half-submerged chicken coops on the tidal flats.

### Mostly Blue Crab

"The houses will probably be growing the better-known blue crab, rather than these rock crabs," he said. "The significance of the experiments with rock crabs now is that by careful observation, we can determine the best time to harvest them without depleting the stock."

He said that some of the grant money will go toward tagging and recapturing crabs to get an idea of the size of the crab population. Also, there is an effort to open up the market for the smaller rock crabs, bright red in appearance and lacking a back-fin muscle. Rock crabs live on the ocean floor at depths of up to several hundred feet.

Dr. Rebach said that several local restaurants have tried rock crabs and that customer response has been good. Deep-trolling lobster potters out of Ocean City, Md., and Lewes, Del., are being advised to keep the rock crabs that clog their pots. Usually, the rock crabs are tossed overboard.

Blue-crab production in Maryland and along the Delaware River and bay estuaries has been declining, but demand has been increasing. This has put heavy pressure on the blue-crab fishery. Scientists are busy trying to determine the blue crab's movements and habits, hoping to find a better way to manage the resource.

If the rock-crab experiments succeed, crab farming may well become a stable industry in the tidalwater region. Dr. Rebach said, just as chicken farming has in the last 50 years.

## 'New Biology' Outpaces Law, Ethics in Case of Test-Tube Baby

NEW YORK, July 24 (UPI) — Any day now the birth of a baby in Britain is expected to confirm that the technology of how to create human life in a test tube has been perfected.

The trouble is that the "new biology," as it is called, has reached this point far ahead of social planning for it, of theological pronouncements, of government regulation.

The fetus in the womb of Lesley Brown, 32, was started "in vitro" — that is, in a test tube, and had had many failures. If this birth, to be by Caesarean section, produces a normal baby, it would seem the technical problems have been solved.

Four days later, the fertilized egg, — then about 100 cells — was inserted in her uterus and developed as an egg fertilized "in utero" (in the uterus) would have.

Scientists had been trying to do that for several years and had had many failures. If this birth, to be by Caesarean section, produces a normal baby, it would seem the technical problems have been solved.

### Legal, Moral Problems

But there remain the legal, moral, and ethical questions, according to scientists, theologians, social planners and experts in ethics. Some scientists say that they must wait to use this new technique until its implications for mankind can be defined and agreed upon.

The method used in the in-vitro fertilization involving the Browns was devised by Dr. Patrick Steptoe, whose ethics were endorsed this month by the central ethical committee of the British Medical Association as offering "no ethical difficulties for doctors . . . for treating infertile women."

One issue is before a court in New York, where a couple is seeking \$1.5 million in damages from Columbia-Presbyterian Medical Center and its former chief of obstetrics and gynecology, Dr. Raymond Wiele.

Doris and John Del Zio claim that their incubating embryo was destroyed when a test-tube fertilization was ruined deliberately. Dr. Landrum Shettles, who was trying to help the Del Zios, later quit Columbia-Presbyterian.

He claims that his work was interfered with, but the medical center says that Dr. Shettles failed to get permission for the human experimentation from the Committee on Human Reproduction.

Technology used in test-tube fertilization is seen by some as bringing nearer the era of cloning and genetic fixes that can give babies any physical traits desired. The technology may make it possible for a woman to buy a frozen fertilized human egg, and have the thawed egg implanted in her womb by an obstetrician.

### Star Clone

"You could even have women opting for material that would enable her to produce a clone of Burt Reynolds," said Allen Utke, a chemist at the University of Wisconsin at Oshkosh.

Mr. Utke, who is on the Wisconsin-Upper Michigan Synod's Task Force on the Biological Revolution, has directed numerous seminars on the biological revolution.

"Unless we check the scope and slow the pace of the new biology," he said, "it will destroy society and humankind as we know it, probably by the next generation."

In a new book, "Bio-Babel," Mr. Utke raises the question: "Can we survive the new biology?"

He fears scientific achievements,

## U.S. Destroys Bad C-Rations In W. Germany

DARMSTADT, West Germany, July 24 (AP) — The U.S. Army has destroyed \$3 million worth of C-rations that rotted during years of storage in West Germany, the armed forces newspaper Stars and Stripes reported.

About 175,000 cases have been dumped into landfills in Kaiserlautern in the last several weeks, a year after the Army discovered that the canned meals had become unfit to eat, the newspaper said.

Most of the cans were packed in 1972 and 1973 in the United States and shipped to the Army in West Germany for use as field meals, it said.

A spokesman for the Army's European headquarters blamed the spoilage on improperly designed cans and the failure to use the supplies within the prescribed three-year time limit.

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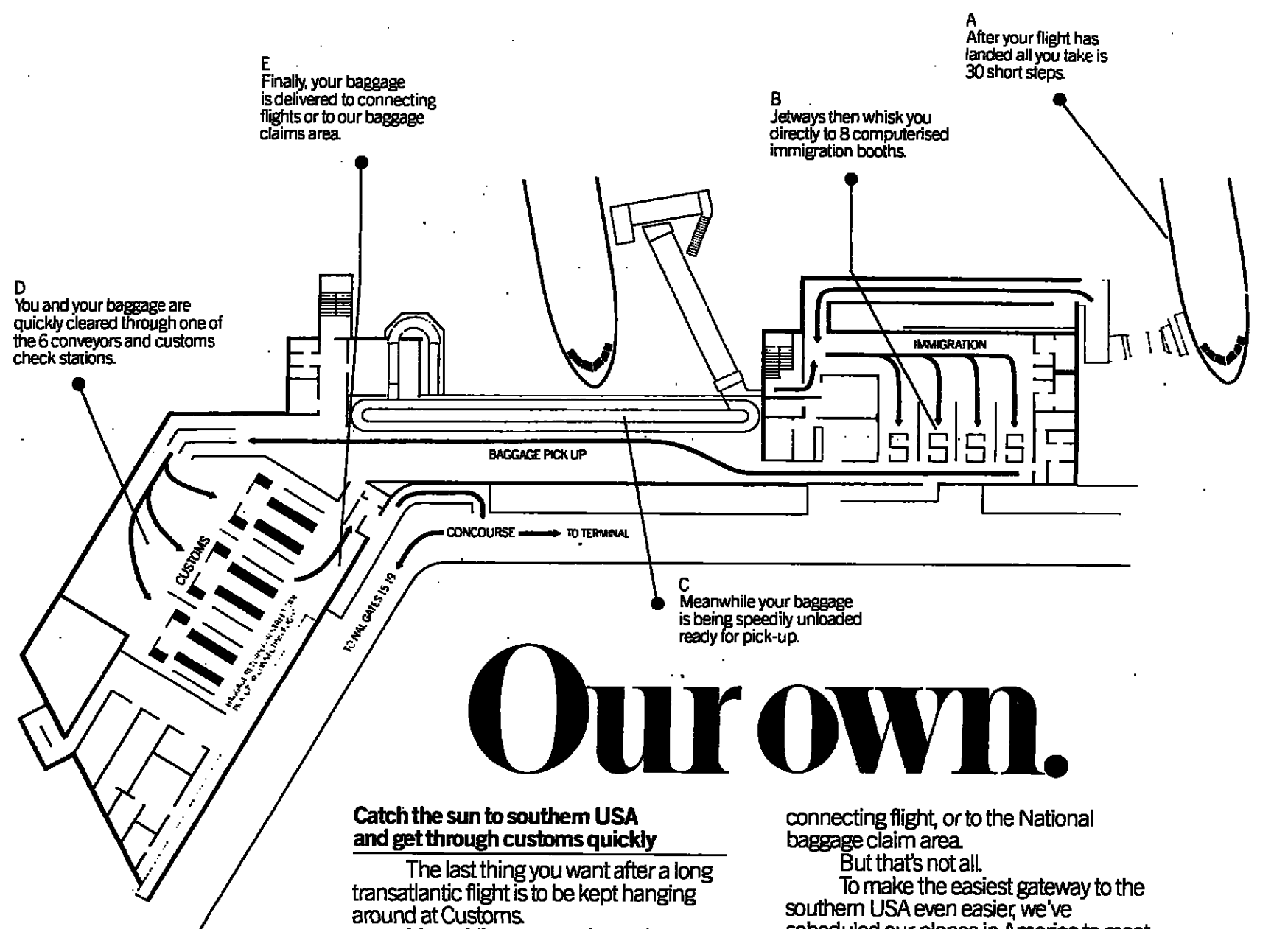
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## FASHION IN PARIS

## Legs Are on Parade Again as the Collections Open

By Eugenia Sheppard

PARIS, July 24 (UPI) — Paris is shortening skirts and not little by little this time. (Well, you've been longing for a change, haven't you?) Not only that, but the fullness, cause of many complaints, has gone out of fashion, though some of the softness remains. The silhouette stars with broad shoulders and narrows to a hem that is edging up to the knees again. The collections are full of black for both day and night with red and purple as standbys. Satin is the big

evening fabric with less glitter than expected.

As far as accessories go, small hats cover heads for daytime, completely hiding the hair. Gloves are back and legs are on parade again. Stockings are important. Sheer black nylons, sometimes embroidered, are the thing.

The crowds at the collections are larger than they have been for years, with the pushing and shoving and demand for seats almost as strenuous as it is for the ready-to-wear. For Cardin's opening, the show almost outgrew the theater that Cardin has created for it in the converted old French night club that he now calls L'Espace Cardin.

It was the most exciting show of the day. Cardin is once more the far-out, creative, controversial designer he was in the mid-fifties.

He has revived the chemise that was born in the late fifties and became the subject of the biggest bat-

tle ever fought in fashion before it became a uniform. The revival is just like the original, broad-shouldered and narrowing to a hem that just covers the knees.

Cardin's shoulders are very broad, sometimes straight as boards from shoulder to shoulder, sometimes extending out over the sleeves like pinafore shoulders, and sometimes with puffed sleeves that rise above the shoulders.

Cardin has no inhibition when he cuts. He likes ponchos, coats and little shoulder wraps, all cut in complete circles that tie in with his prevailing silhouette. Among the fabrics that he likes best are those all-American favorites, gray flannel and corduroy.

Sometimes the party clothes designed by Cardin's associate, Andre Oliver, have seemed to be a separate collection, but this time they get together. Pleated chiffons with ruffle edges have a symmetrical cut

that starts at one knee and dips to the floor on the other side.

The black dresses, though, are the beauties. Black silk coats, one rounded, cover black dresses with soft tops and narrow skirts. Models wear little fantasy hats of egrets sometimes veiled.

Also outstanding for evening: the long, slit tunics of colored lace over skinny black satin pants; the short, little dresses of lace over cotton jersey; the prints cut in tatters; the oversized taffeta robes and on and on with a parade of half a dozen brides, one in a white satin jump suit, who opened and closed the show.

Dior

Dior's collection this afternoon came as a surprise. Famous for his pretty romantic clothes, Marc Bohan changed his mind and turned out a harder-edged look this time. The world of expensive ladies who count heavily on Dior for their flowery chiffons will have a harder time finding something for the important dinners and benefit balls this time.

The mainstay of the new collection is a narrow pants suit, usually black with a fabric belted jacket and a somewhat high collar with a gold chain at the base of the neck for decoration. Add a neat little hat, a scarf or two foxes looped under the chin and dangling down the front, sheer black nylons just showing beneath the pants and shoes with high heels as thin as knife blades and you have the new Dior look.

Sometimes Dior covers the pants suit with a sinister-type trench coat, worn belted tightly, with the collar turned up, and a mannish felt hat. Again, the spike-heeled shoes, for there are almost no boots in the collection.

For daytime color, there are



One Cardin look for evening.

high-yoked mohair coats of violet or bright red, worn over skirts and tops of the same color.

For evening, the pants suit becomes a black satin jump suit with a deeply slit neckline and sometimes a jacket that has long lapels. Sometimes it is worn under an overcoat or fur jacket but is most interesting combined with a leather coat.

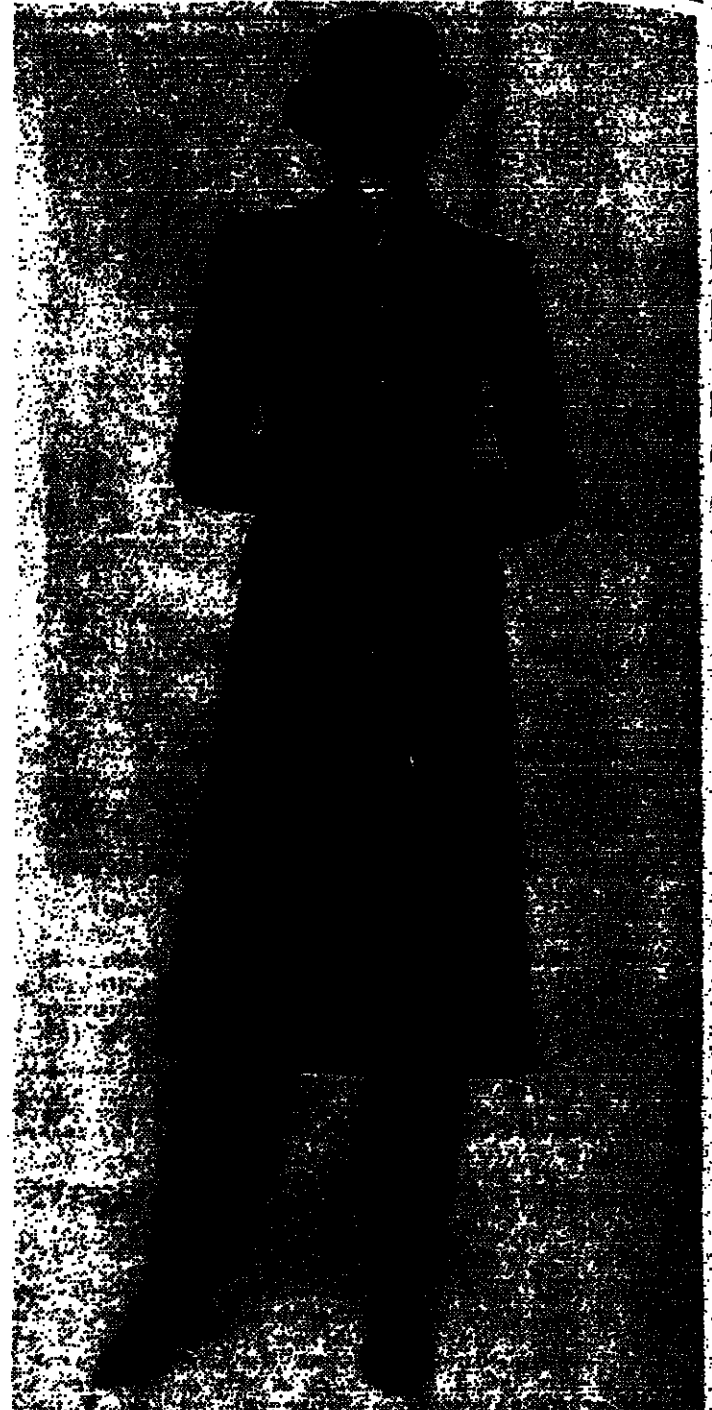
For evening, Marc Bohan likes the uneven hemline that starts at the knees in front and flows to the floor behind. His black models wear it in black chiffon, glitter-embroidered and with long, sheer sleeves. Others are even more definite about the hemline, like the red chiffon with a strapless top that

had to come back for an encore, there was so much excitement among the photographers.

Toward the end of the show, Bohan added a postscript of some typical Dior lovelies. They included draped satins, the beaded and glittering Oriental tunics under satin jackets and two exquisite white chiffons, beaded and glittering in pale colors.

Scherrer

This noon, Jean-Louis Scherrer's collection also featured lots of suave, elegant black in belted jackets with broad shoulders over narrow skirts, no longer mid-calf length but not nearly up to the knees. They were shown to music



Dior's narrow pants and coat.

of the thirties, so naturally hats and gloves and delicate black shoes and stockings were part of the scene.

Scherrer pays special attention to cocktail, theater and restaurant clothes. Especially right are the suits of dotted or plain black satin jackets and slim or pleated skirts. A group of soft, dark crepes bring in the wide, tucked or draped corset-like waistline that was a part of the fifties look.

Scherrer is well known for his head-and-glitter embroidery on dresses that sometimes cost as much as \$6,000.

Some of his jackets, over simple crepes, are embroidered in red bead hearts of different sizes, and others are decorated with crystals and rhinestones. Scherrer also carries his deep corseted waistline into the

chiffons. One especially applauded costume was the white satin over-blouse with sequin epaulets over a black skirt.

Venet

Philippe Venet, whose collection opened earlier today, has the broad shoulders, the shorter, narrower skirts and the shoes with thin, high heels that make up the new Paris look.

He shows more color than any other designer, though one of his most attractive costumes is the soft black coat over the white dress that has black, above-the-knee pants showing under the hem.

Pushed up sleeves, the pinched look and cape collars of all depths add to the breadth of Venet's shoulders. Among the favorites: a unlined red mohair coat over a plain dress and the soft mini-cape coat over a simple crepe that had a twin in butterscotch.

Venet's evening clothes are bright with Luxe stripes or plaids. But Venet's is more potent in So-Cial Register tweeds and wools than in Arabian Nights fabrics.

Some of the socialites at the Dior show were Lynn Wyatt in a slip print and a little sailor hat, Nan Kempner and Estee Lauder, who flew here from Cap Ferrat on the Cote d'Azur.

## 7,000 Attend Convention on Christian Sales

DENVER, July 24 (UPI) — More than 7,000 persons attended the annual Christian bookellers convention at Currigan Exhibition Hall here. The association is a 2,600-member group headquartered in Colorado Springs, Colo.

The association said that more than 95 percent of those who sell Christian articles do so with a "firm sense of ministry." The group also said the Christian book-selling industry exceeds \$600 million in sales annually.

The message was everywhere in the huge exhibition hall. There were Frisbees that said, "You're a Good Hands with Jesus," T-shirts for dogs printed with crosses, and such messages as "Smile, God Loves You" in washable polyester.

There were paper napkins printed with scriptural quotations, many cloth children's bibs saying, "Jesus Loves All Us Kids," and letter openers saying, "Rejoice in the Lord."

Bookstores operated by association members have more than a 12 percent sales increase over the last five years, the association said. Many of them sell religious articles other than books.

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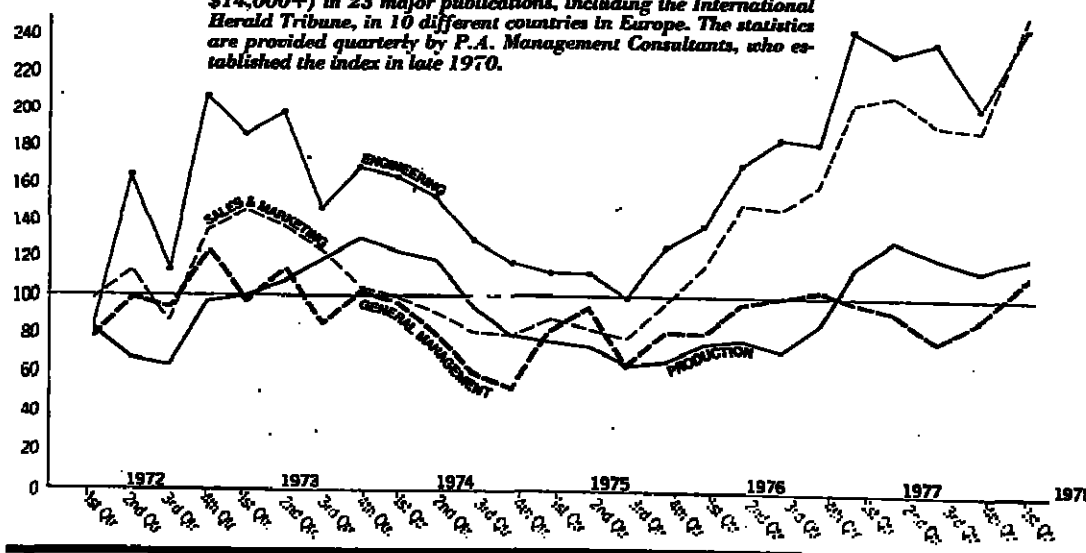
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## OPEC Seen Adhering to The Dollar

### Solomon Says Switch Could Hurt Trade

WASHINGTON, July 24 (AP-DJ) — The United States has "no reason to believe" that Saudi Arabia or other key countries in the Organization of Petroleum Exporting Countries are ready to shift from the dollar to a basket of currencies for pricing oil exports, Treasury Undersecretary Anthony Solomon said today.

He added, in testimony before a Senate subcommittee, that if OPEC countries were to switch back and forth between the dollar and a basket of currencies, such action would be "highly irresponsible," and would be "demoralizing" to world trade.

Questioned about recent news reports from Kuwait that OPEC financial experts, at a recent meeting, favored the shift to a basket of currencies for pricing oil exports, Mr. Solomon replied that such a decision would have to be made not by OPEC experts, but at a high-level OPEC meeting. At that point, he commented that the United States has received no indications that the Saudi Arabians, for example, wanted to make that sort of a switch.

Pressed for his comments on how the government would view a possible switch by OPEC countries to a basket of currencies for pricing oil, he said that such a switch might have some "unfortunate" short-term effects and that the United States would not favor it. He added that such a switch probably would not have any major long-term implications.

On other questions, Mr. Solomon predicted that there will be a "substantial reduction" in the U.S. current-account deficit later this year, and added that the situation will show further improvements in 1979.

He also said that Washington hopes the Common Market plan for monetary stability will be designed to "promote economic growth in Europe and in the world as a whole." Noting that it is still not known how the EEC intends to coordinate exchange rate policies in "vis-a-vis the dollar," he said that the United States could not support a plan that would prevent the dollar exchange rate from responding to underlying economic and financial factors. He said that Washington also wants to be certain that any new arrangements agreed upon among the EEC countries would be administered "in full conformity" with the rules of the International Monetary Fund and in close consultation and cooperation with the monetary authorities of other countries.

Mr. Solomon also said he opposes capital controls or exchange rate guarantees as a way to counter fluctuations of the dollar. He criticized proposals to impose capital controls to restrict private use of the dollar and to have the IMF provide open-ended exchange rate guarantees for all present and future official balances. He repeated the administration position that dealing with the basic problem of inflation and the U.S. trade balance are the keys to the dollar's performance.

"If we deal with the basic problems, I have every confidence that this will be reflected appropriately in financial markets," he said.

## Vehicle Output Up Sharply in Japan in June

TOKYO, July 24 (AP-DJ) — Japan's motor vehicle production rose 7.5 percent in June from the prior month and 11.3 percent from the year earlier month to 840,706 units, the second highest total on record, the Automobile Manufacturers' Association reported today.

The record monthly production was set at 848,567 units in March this year.

Production for January-June marked a record half year total of 4,617,345 units, up 12.2 percent from the year earlier period. Half year passenger car output rose 13.1 percent to 2,961,476 units; truck output up 10.6 percent to 1,629,708 units, and bus production rose 6.5 percent to 26,161 units.

June passenger car production gained 11.2 percent from a year earlier to 539,477 units, and was up from 503,610 units in May. Truck production rose 11.5 percent from 274,265 units in May. Bus output fell 10.6 percent from a year ago to 4,855 units, but was up from 4,020 units in May.

The association also announced that June motorcycle production rose 10.5 percent from May and 8.6 percent from a year earlier to 34,861 units.

**Output Falls in Belgium**  
BRUSSELS, July 24 (AP-DJ) — Industrial production in Belgium dropped 3.4 percent in May from the previous month and was off 0.4 percent from May 1977. The Economics Ministry reported today. In the first five months, industrial production was off 1.5 percent from the 1977 period. The 1970-based index was 119.1 in May, down from 123.4 in April.

## Japan, China Bridge Trade Gap

By Henry Scott-Stokes

TOKYO, July 24 (NYT) — A new era appears to be opening up in China's economic relations with Japan. The two Oriental powers, which remained at arm's length for nearly 25 years after the 1949 revolution in China, are planning a number of joint industrial projects.

Whatever comes of these plans — the initiative for which has come largely from the Chinese — the tone of their relations is changing for the better as one Japanese industrial mission after another visits the mainland.

The two nations are about to resume long-suspended talks on a peace treaty in Peking, and Tokyo seems optimistic that this time there will be agreement. The treaty was first proposed in 1972 when the two nations established diplomatic relations.

"What has changed is that the Chinese side is much more positive," said Toshio Kimura, a former Japanese foreign minister, who is now a senior figure in the governing Liberal Democratic Party. "That is why I am much more optimistic than even a month ago."

China has recently made three major moves:

- It has proposed for the first time that Japan join in development of the potentially huge offshore oilfields under the East China Sea. China had previously suggested only that Japan should give technical and financial aid in offshore oil development.

- It has invited representatives of Japanese arms manufacturers to visit Peking this fall with a view to buying arms from Japan — a nation that has so far banned arms exports as incompatible with the "peace" constitution imposed on it by the United States in 1947.

- The Chinese have informed a mission led by Yoshio Ikeda, president of Mitsui & Co., one of the world's largest trading companies, that in the future they would accept bank loans from abroad to finance industrial development. This is an abandonment of the long-standing

## Soviet Output Increases 5.2% For First Half

MOSCOW, July 24 (AP-DJ) — Soviet industrial production in the first six months of the year increased 5.2 percent compared with the year-ago period, according to the central statistical board.

Growth in labor productivity tapered off, reaching 3.8 percent, below the 4.2 percent recorded in the year-ago period.

Industrial production exceeded the 4.5-percent growth rate set for the half in the current five-year plan. However, some Western specialists have contended that the plan's target figures have been set artificially low, so that even modest increases in industrial production can be seen as overfulfilling the planned goals.

Mikhail Korolev, first deputy chief of the statistical board, told a news conference: "If one estimates things in general, based on all the data that we possess, judging by the first 2½ years, there are all grounds to say the plan is being fulfilled successfully."

The statistics showed that in the first half of 1978, the foreign-trade turnover rose 6.8 percent from a year earlier to 34.3 billion rubles (about \$50.1 billion).

Among the statistics was also a new estimate for the Soviet population — 261.2 million as of July 1, 1978.

## 2 Oil Companies Sign Gas Pact With Abu Dhabi

PARIS, July 24 (IHT) — Royal Dutch Shell Group and Cie. Française des Pétroles announced today they have signed a \$1.6 billion project with Abu Dhabi to collect, process and export gas gathered from offshore oilfields.

Under the 20-year agreement, state-owned Abu Dhabi National Oil Co. will put up 68 percent of the \$400 million capital of the concern being set up to oversee the venture. Royal Dutch Shell and CFP will each have a 15 percent interest and Portugal's Participations and Explorations Corp. will hold 2 percent.

Each of the companies involved in the project will receive a share of products proportional to its participation. Industry sources said the project will recover over one billion cubic feet a day of gas which is at present burned off at the well-head to produce 114,000 barrels daily of propane and butane, and 71,000 barrels daily of natural gasoline.

## German Money Supply

FRANKFURT, July 24 (AP-DJ) — West Germany's widely defined money supply (M-3) rose by a seasonally adjusted 1 billion Deutsche marks in June, compared with a 7.2 billion DM rise in May and a 1.6 billion DM decline in June 1977. The Bundesbank said in its monthly report on the money supply that in the last three months M-3 has grown at a seasonally adjusted rate of 8.8 percent, which exceeds original goals of 8 percent.

## Joint Projects Herald New Era

policy that China should not accept foreign loans.

These developments suggest that prospects for Chinese-Japanese economic cooperation — which were already much brighter following conclusion of a \$20-billion trade agreement early this year under which Chinese oil and raw materials would be traded for Japanese plant and technology — had progressed far beyond all expectations. During the first six months of this year, 50 Chinese missions visited Japan, compared to 73 in all of 1977 and 39 in 1976. The number of Japanese visitors to China meanwhile leaped from 8,000 in 1972, the year that diplomatic relations were established, to about 30,000 last year.

## Economies Complementary

The overall pattern is determined by the complementary character of the two economies: China has the labor and Japan has the technology. But it is too early to say what will happen. The Chinese-Japanese peace treaty has yet to be signed and it contains a troublesome "hegemony" clause that Japan has so far hesitated to accept because it implies hostility toward the Soviet Union.

In addition, Japanese companies cannot export arms. They can only supply China with items like trucks and vessels that the Chinese may use for naval purposes. Officially, it is none of Japan's business what China does with such purchases. In any event, there have been no detailed talks on arms-related deals between China and Japan, so far as is known, although a Tokyo newspaper, Sankei Shimbun, reported recently that China had ap-

proached Japan about arms purchases three years ago and had even submitted a list of the arms it wanted to buy. That report could not be confirmed.

Nevertheless, it is clear that China and Japan are in contact on many levels to get their economies moving faster and in tandem. Hitachi, a shipbuilding, engineering and electrical-equipment company, received a \$35 million order for oil rigs for use in the East China Sea last month. Nippon Kokan, a steel company, has been asked to help China expand a Peking steel mill to a capacity of 6 million tons, while Nippon Steel, the world's largest steel company, is helping to build another mill of the same size in Shanghai.

There are other big Japanese deals in the air. Hitachi and Toshiba, a leading electrical company, are negotiating the sale to China of a color-television plant worth about \$125 million. The companies confirmed last week. If a contract is concluded, this could become China's first color-television facility. The same two companies are competing to supply a power station to Shanghai.

## Basic Accord on Oil

TOKYO, July 24 (AP-DJ) — Japan and China have reached basic agreement on joint development of oil resources in Pohni Bay in eastern China, the government-owned Japan National Oil Corp. said today.

Company officials also said the two nations had agreed to study the feasibility of joint development of oil resources at the mouth of the Chu Kiang River in south China. The agreements were made on the premise that the governments of both countries will support the projects, the officials added.

## France Lifts Surplus in June Trade

First Half Reaches 708 Million Francs

PARIS, July 24 (AP-DJ) — France's trade surplus rose to 459 million francs (about \$104.3 million) in June, up from a seasonally adjusted surplus of 155 million francs in May and a deficit of 2,043 million francs in the year-ago month, the Trade Ministry reported today.

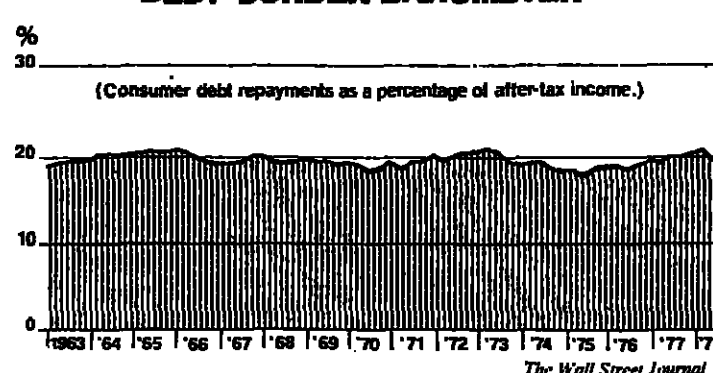
The June result brings the first-half surplus to 708 million francs, compared with a deficit of over 9 billion francs incurred during the 1977 period.

On an unadjusted basis, the ministry reported a June surplus of 2,518 billion francs compared with a deficit of 145 million francs in May and a deficit of 576 million francs in June last year. On this basis, the first-half performance showed a surplus of 884 million francs compared with a deficit of 8.97 billion francs in the first six months of 1977.

Commenting on the figures, the ministry noted that although there had been a substantial decline in the cost of oil imports due to the depreciation of the dollar, "the seasonally adjusted surplus widened in June despite a persistent agricultural trade deficit and a relatively low level of auto exports." The ministry said that despite a rise in farm exports of 40 percent, France (which is traditionally a net exporter) had recorded a farm trade deficit of over 1.4 billion francs.

The ministry concluded that the positive result obtained so far this year reflects the strength of the franc, which allowed a marked slowdown in the cost of French imports.

## DEBT-BURDEN BAROMETER



## U.S. Consumer Debt Load Held Unaltered Since '63

NEW YORK, July 24 (AP-DJ) — Contrary to the widely-held supposition that Americans lately have been taking on a dangerously burdensome amount of debt, their debt load, as the accompanying chart shows, was about as dangerous 15 years ago.

The chart — in effect, a gauge of the ability of consumers to carry debt — expresses repayments of principal and interest as a percentage of income after taxes, which also has risen steeply over the years. The statistics, supplied by Data Resources, an economic research company, were drawn from various sources and reflect home mortgage as well as consumer installment borrowing.

The result shows that over a decade and a half the debt burden has hardly budged with one of every five after-tax dollars going to repay debt — similar to the 1963 level. The message is reassuring at a time of increasing concern that the public has grown severely overloaded with debt, a situation that could aggravate the economic slowdown that many forecasters anticipate late this year or next.

There is no question that install-

ment debt is jumping — it rose a record \$4.07 billion in March and near-record increases occurred in subsequent months — but despite the increase, repayments amounted to 19.9 percent of after-tax income in the second quarter, the same rate as in the first quarter and a shade under last year's fourth-quarter level of 20.3 percent. The explanation lies in the fact that while installment-debt repayments climbed in the second quarter to 15.3 percent of income from 14.9 percent in the first quarter, mortgage debt repayments fell to 4.6 from 5 percent of income.

The most burdensome period for installment debt was in 1969-70, when repayments came to 15.9 percent of after-tax income, appreciably higher than so far this year. The most burdensome period for mortgage debt was in 1963-65. In each of those years repayments reached 5.7 percent of after-tax income, well above the latest 4.6 percent. During the present decade, the rate has been as low as 2.9 percent (1970) and as high as 5.4 percent (1973).

A survey by Morgan Guaranty Trust Co. concluded: "Some families are struggling to meet debt payments; others have little or no debt. Still, the great bulk of American families do not appear profligate in their spending or in their assumption of debt."

Another analysis, by Sanford C. Bernstein & Co., a New York securities firm, reached a similar conclusion. "Our study...leads us to reject the argument that consumer spending is vulnerable to pressures emanating from a debt-service related retrenchment," it notes.

In effect, the affordable amount, the chart indicates, is one that holds debt-servicing close to 20 percent of after-tax income, year-in and year-out.

Although the repayment burden has barely altered over 15 years, the rate of loan delinquency has run consistently at levels above those of 10 or 15 years ago. Some 3 percent of installment loans were delinquent 30 days or more in 1975, near the pit of the 1973-75 recession. Even now, after more than three years of economic expansion, the delinquency rate is about 2.5 percent — nearly twice as high as in 1963. Even in earlier recessions the rate remained well below 2 percent.

## Stock Prices End Lower On Wall St.

Interest Rate Rise, Dollar Drop Blamed

NEW YORK, July 24 (Reuters) — Continuing concern about interest rates and further weakness in the dollar pushed prices narrowly lower today on the New York Stock Exchange.

Interest-rate concerns centered on forecasts by analysts that the prime rate will rise from its present 9-percent level. There were also some expectations that the Treasury's quarterly refinancing this week will produce attractive yields.

The Dow Jones industrial average fell 1.82 points to 831.60 and declines led advances 842 to 569. Volume fell to 23.3 million shares from Friday's 26.06 million.

Shares of oil companies lost ground, even though a few reported improved second-quarter earnings. Texaco, the most active issue, gave up 1/4 to 25 1/2. Exxon and Atlantic Richfield lost fractions while Standard Oil of Indiana lost a point to 49 1/2.

Railroad issues were also in the news. Norfolk and Western, Union Pacific and Missouri Pacific all added fractions after reporting improved earnings. Burlington Northern lost 1/4 to 40.

Burlington Industries, in second place, added 3/4 to 18 1/2. Bates Manufacturing gained 3/4 before a trading halt. Colonial Stores rose 1 1/2 to 31 1/2. Directors decided against Grand Union's \$30-a-share bid for Colonial.

Prices on the American Stock Exchange also fell, with the market-value index off 0.18 to 151.66.

In Chicago, wheat, corn, oats and soybeans were substantially lower at the close today on the Board of Trade.

Wheat was off 9 to 10 1/2 cents; corn off 3 to 4; oats off 3 1/4 to 4; and soybeans off 18 to 12 1/2 cents.

Local selling in wheat and increased country movement forced futures prices lower. Corn and soybeans were under seasonal pressure as good growing weather continued. Losses in soybeans were more dramatic with heavy professional selling dominating trade before noon.

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## Company Reports

Revenue, Profits in Millions of Dollars

			Revenue		Profits	
			1978	1977	1978	1977
Per Share.....	1.43	1.30				
6 months						
Revenue.....	3,900	3,700				
Profits.....	99.00	111.20				
Per Share.....	3.18	3.78				
Atlantic Richfield						
2nd Quarter	1978	1977				
Revenue.....	3,130	2,860				
Profits.....	210.90	191.22				
Per Share.....	1.73	1.57				
6 months						
Revenue.....	6,060	5,630				
Profits.....	361.22	336.47				
Per Share.....	2.97	2.77				
Avon Products						
2nd Quarter	1978	1977				
Revenue.....	462.20	360.40				
Profits.....	48.80	37.90				
Per Share.....	0.84	0.65				
6 months						
Revenue.....	826.90	669.10				
Profits.....	80.60	63.80				
Per Share.....	1.39	1.10				
Chicago Northwest Transport						
2nd Quarter	1978	1977				
Revenue.....	166.20	144.70				
Profits.....	11.28	5.90				
Per Share.....	2.54	1.33				
6 months						
Revenue.....	310.90	280.60				
Profits.....	0.49	6.96				
Per Share.....	0.11	1.57				
Cummins Engine						
2nd Quarter	1978	1977				
Revenue.....	365.70	323.40				
Profits.....	14.21	19.44				
Per Share.....	1.68	2.38				
6 months						
Revenue.....	717.10	635.70				
Profits.....	35.05	40.92				
Per Share.....	4.15	5.16				
Combustion Engineering						
2nd Quarter	1978	1977				
Revenue.....	623.70	507.40				
Profits.....	19.72	16.45				
Per Share.....	1.22	1.02				
6 months						
Revenue.....	1,120	938.40				
Profits.....	34.71	29.39				
Per Share.....	2.15	1.82				
Consolidated Freightways						
2nd Quarter	1978	1977				
Revenue.....	296.60	277.20				
Profits.....	12.00	13.50				
Per Share.....	0.93	1.09				
6 months						
Revenue.....	615.20	520.40				
Profits.....	23.50	21.60				
Per Share.....	1.84	1.75				
Equinor						
2nd Quarter	1978	1977				
Oper. Net.....	2.09	1.89				
Per Share.....	0.51	0.46				
Net Income.....	2.09	2.94				
Per Share.....	0.51	0.71				
6 months						
Oper. Net.....	4.16	3.74				
Per Share.....	1.01	0.91				
Net Income.....	4.23	5.72				
Per Share.....	1.03	1.39				
Ethyl						
2nd Quarter	1978	1977				
Revenue.....	364.00	334.70				
Profits.....	21.34	21.82				
Per Share.....	1.10	1.24				
6 months						
Revenue.....	683.70	628.80				
Profits.....	39.02	39.45				
Per Share.....	2.01	2.17				
Exxon						
2nd Quarter	1978	1977				
Revenue.....	15,500	14,200				
Profits.....	700.00	575.00				
Per Share.....	1.57	1.28				
6 months						
Revenue.....	30,800	28,500				
Profits.....	1,380	1,220				
Per Share.....	3.09	2.72				
IC Industries						
2nd Quarter	1978	1977				
Revenue.....	564.90	492.90				
Profits.....	25.47	20.03				
Per Share.....	1.62	1.38				
6 months						
Revenue.....	1,050	920.80				
Profits.....	31.82	30.97				
Per Share.....	2.03	2.15				
Kellogg						
2nd Quarter	1978	1977				
Revenue.....	409.70	386.60				
Profits.....	36.88	35.98				
Per Share.....	0.49	0.47				
6 months						
Revenue.....	818.60	759.20				
Profits.....	79.25	77.36				
Per Share.....	1.04	1.01				
Merck						
2nd Quarter	1978	1977				
Revenue.....	499.90	436.40				
Profits.....	83.20	77.80				
Per Share.....	1.10	1.03				
6 months						
Revenue.....	955.80	851.60				
Profits.....	157.20	145.30				
Per Share.....	2.08	1.92				
3M						
2nd Quarter	1978	1977				
Revenue.....	1,170	1,000				
Profits.....	143.10	108.50				
Per Share.....	1.23	0.94				
6 months						
Revenue.....	2,250	1,940				
Profits.....	262.40	195.20				
Per Share.....	2.26	1.69				
National Steel						
2nd Quarter	1978	1977				
Revenue.....	924.80	852.20				
Profits.....	31.53	25.03				
Per Share.....	1.64	1.30				
6 months						
Revenue.....	1,800	1,600				
Profits.....	33.97	30.05				
Per Share.....	1.77	1.56				
Pepsico						
2nd Quarter	1978	1977				
Revenue.....	989.70	832.10				
Profits.....	57.31	49.26				
Per Share.....	0.65	0.56				







## NYSE Nationwide Trading Closing Prices July 24

[illegible][illegible]

### Monday's New Highs and Lows

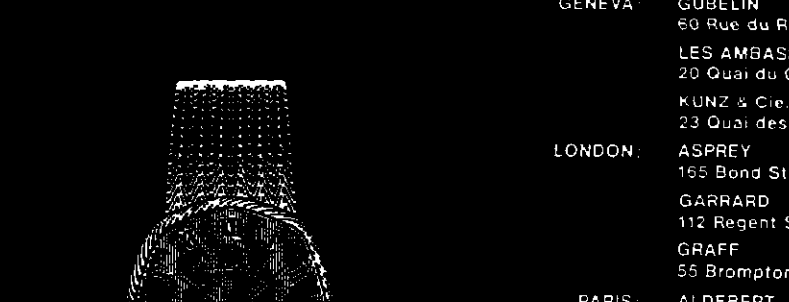
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## Credit Algeria Gets \$60-Million Credit

PARIS, July 24 (Reuters) — Credit Populaire d'Algerie has borrowed \$60 million through a seven-year credit bearing a 1% point spread over London interbank offered rates, sources at consortium leader St. Generale said today.

In Luxembourg, banks said Olivetti International is raising \$40 million through a five-year credit with a spread of 1% points over Libor. The credit, guaranteed by the parent Italian company, was raised from an originally planned \$25 million due to strong demand.

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**Audemars Piguet**

## 2

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MILAN - ITALY

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**HIGHLIGHTS OF ACCOUNTS**  
**RAS ONLY, DOMESTIC AND FOREIGN BRANCH OFF**  
(in US dollars)

held \_\_\_\_\_

as in Premium Income \_\_\_\_\_

Premium Income	
Investment Income	
Claims, Mortuities and other Benefits paid	
Insurance Reserves, Non-Life Branch	
Insurance Reserves, Life Branch	
Life Sums assured	3.
Share Capital	
General Reserves	
Profit for the year	

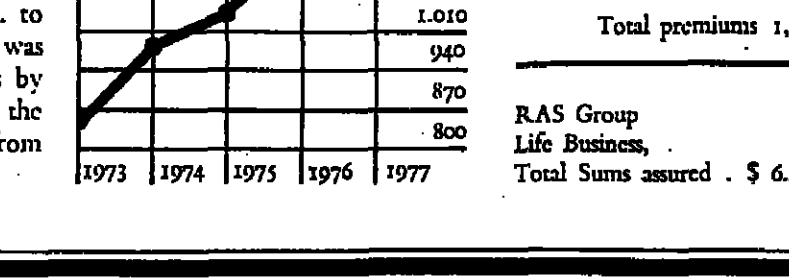
PREMIUM INCOME OF THE RAS GROUP (ITALY AND ABROAD)	SALES OF THE RAS
US \$	Premium income breakdown (in US \$)

(millions)

RAS and  
L'ASSICURATRICE ITA

share			1.300	(in Italy and abroad) . .
from			1.290	Other Italian Group
			1.220	Companies . . . . .

	1.150	Foreign Group
	1.080	Companies . . . . .

















## He Blasts Steinbrenner, Jackson

## Martin's Head Again on the Block

By Murray Chass

CHICAGO, July 24 (NYT) — Reggie Jackson returned to the Yankees yesterday, but the fragile peace that was expected to exist between him and manager Billy Martin was shattered just after the game when Martin erupted in a volatile verbal attack on Jackson and George Steinbrenner.

Martin's remarks about Steinbrenner, the Yankees owner, could result in the manager's being dismissed. Martin has a clause in his contract that forbids him from making any public comments critical of Steinbrenner. But even without that clause, Steinbrenner was said to be sufficiently outraged at Martin's comment that he would take some action today to end the stormy relationship that has existed between manager and owner for the last two years.

Martin's outburst at the O'Hare Airport terminal came yesterday about two hours after the Yankees

gained their fifth straight victory by defeating Chicago, 3-1, a game which Jackson was available for but didn't play in. At first the tirade centered on Jackson, who had rejoined the Yankees after serving a five-day suspension for "deliberately disregarding" the manager's instructions. But when Martin resumed about 45 minutes later he included Steinbrenner, although not by name.

## They Deserve Each Other

"The two of them deserve each other," Martin said, alluding to Jackson and Steinbrenner, the owner who has a fondness for the player but has no love for the manager. "One's a born liar, the other's convicted." Martin obviously alluded to Steinbrenner's conviction on charges stemming from illegal political campaign contributions a few years ago.

"I'm saying, 'Shut up, Reggie Jackson,'" the manager had begun

with no prompting. "We don't need none of your stuff. We're winning without you. We don't need you coming in and making all these comments. If he doesn't shut his mouth, he won't play and I don't care what George says. He can replace me right now if he doesn't like it."

Reached at his home in Tampa, Fla., Steinbrenner was stunned when Martin's remarks were read to him.

"I have no comment right now," the owner said, after asking to have some of the remarks repeated so he could be sure he heard right. "I can't comment and I won't dignify it. I will be into it with my people. I am stunned by it. He wins a few games and . . . I just don't know what to say." Jackson, who watched the game from the bench and on a clubhouse television set, simply said, "I don't have any comment. It's just unfortunate."

## The Second Round

In the second round of his attack, which occurred when he approached two newsmen as they headed for the Yankees plane to Kansas City, Martin indicated he had carefully timed his outburst. "I didn't say anything before the game," the manager said. "I didn't disrupt the team. We won five straight. I'm a counter-puncher."

Martin called Jackson a liar for various reasons, including statements Jackson might never have

made. Noting that Jackson had been in the clubhouse during the game, Martin said "he ran him out" and "he'll get the same thing tomorrow." Presumably he was saying Jackson wouldn't be in the lineup against Kansas City tonight.

Although there was no obvious reason for Martin's tirade, it seemed most likely that he was upset because Jackson, in a 35-minute interview with newsmen before the game, admitted no guilt for having batted when he was ordered to hit away last Monday night.

## Motive Unknown

Observers also wondered if Martin had some motive in making his remarks, perhaps a desire to have Steinbrenner fire him for reasons known only to Martin. This is the second year of the manager's three-year contract.

In his pregame interview, Jackson made no inflammatory remarks. He again denied that he had acted defiantly, but added that if he had known the consequences he would have swung away as ordered.

Martin mimicked that explanation and said sarcastically, "Call that an admission of guilt."

In beginning his comments at the airport Martin had asked whether Jackson's "saying it wasn't his fault" constituted statements "not in the best interests of the Yankees." Under Martin's new rules of conduct for his players "a



Billy Martin

player will subject himself to severe disciplinary action including a possible suspension for conduct detrimental to baseball or to the New York Yankees.

"We've got a smooth-running ship here and I don't want him and his mouth coming up and breaking it up. It's like a guy getting out of jail and saying, 'I'm innocent' after he killed somebody."

He and every one of the other players knew the consequences. Why else would he take his glasses off when he came back to the bench? He expected to get popped but good."

Martin was asked if he had to control himself not to hit him last Monday and the manager replied, "The most it's ever taken in my life."

## Weathers Late Charge

## Nicklaus Captures Philadelphia Golf

By John S. Radosta

PHILADELPHIA, July 24 (NYT) — All afternoon it looked like one of those typical Jack Nicklaus blitzes, but then Gil Morgan put up a challenge with birdies on the 15th and 16th holes, while Nicklaus was scoring a bogey on the 17th.

When the cliffhanger was done, Nicklaus had won the 16th Philadelphia Classic by one stroke yesterday, after having held as large as a three-shot lead as late as the 16th hole.

Nicklaus shot 68 to finish the 72 holes at 270, 14 under par for the Whitmarsh Valley Country Club course in suburban Lafayette Hill. Morgan shot 67 for a total of 271.

Jerry Pate and Hale Irwin, both former United States Open champions, put on fourth-round drives to tie for third at 273. The big loser was Bruce Lietzke, who led by a shot going into the final round, but who knocked himself out with a 74 for 275.

## Third Classic Title

This is the third time Nicklaus has won the Philadelphia event, which is played on the Whitmarsh layout, a handsome little course of 6,687 yards and par 71.

Morgan came within a shot of Nicklaus with birdies on 15 and 16 and could have forced a tie with a birdie on either of the two closing holes, but he could not quite make it.

It was only a week ago Saturday that Nicklaus won his third British Open, at St. Andrews in Scotland. Yesterday's victory was his 66th since he joined the PGA Tour in 1956.

Nicklaus, playing in the next-to-last threesome on the day's schedule, started the final round at 11



Jack Nicklaus grimaces after missing birdie on fifth hole.

under par, one stroke behind Lietzke, who was playing in the final grouping.

Nicklaus instantly gave Lietzke something at which to shoot by carding a birdie 3 on the first hole, where he hit a perfect drive down the middle, pitched to 10 feet, and made the putt.

Morgan, playing in the last three-

some, birdied the third to reach 10 under.

It was evident that Lietzke was struggling for the first six holes. He could get nothing going. Then he ran into disaster on two successive holes, the seventh and eighth, that cost him three shots. Lietzke came to grief with a double-bogey 6 on the seventh hole, a narrow fairway hole of 435 yards guarded by an enormous grass bunker on the left and out-of-bounds on the right.

## Big Swing

At the same time Morgan, who was playing in the same threesome as Lietzke, birdied the hole. That made a swing of three shots, as Lietzke fell from 12 under par to 10 under and as Morgan climbed from 10 under to 11 under. The birdie also put Morgan in second place at that point.

Lietzke compounded his troubles by taking a bogey on the eighth, and that dropped him to nine under par.

Now he was three shots behind Nicklaus, who had been steadily paring his way through the ninth after the birdie on the first hole and was two shots behind Morgan.

Not long after Lietzke had pressed his self-destruct button, Nicklaus reasserted his supremacy with a birdie 4 on the 11th. That raised him to 13 under par, two shots ahead of Morgan and three ahead of Pate, who had bogeyed the 15th. But Pate birdied 16 to reach 11 under. Pate parred 17 and 18 to finish at 11 under.

As Nicklaus was carding his birdie on 11, Green took a bogey to fall back to eight under. But miraculously he made up two shots on the 17- and 18th holes, where he scored a hole-in-one to reach 10 under. This was the fifth hole-in-one scored in the tournament.

## Stacy Wins 2d U.S. Women's Open Title by 1 Stroke

INDIANAPOLIS, July 24 (NYT)

Hollis Stacy had a par at the final hole yesterday that gave her a one-stroke victory over JoAnne Carner and Sally Little and her second consecutive United States Women's Open championship.

Stacy began the final round one stroke in front of Carner and Donna Young. Little came into contention with a record round of 65. Stacy's final round of one-over-par 72 gave her a 72-hole total of 289.

Carner, a two-time winner of the Open championship, took the lead in the final round of the 33rd annual championship yesterday before lightning caused play to be suspended.

## CFL Standings

EASTERN CONFERENCE									
Team	W	L	T	P	PA	Team	W	L	T
Ottawa	1	1	0	0	0	Montreal	1	1	0
Toronto	1	1	0	0	0	Hamilton	1	1	0
Edmonton	2	0	0	0	0	Calgary	1	1	0
Winnipeg	1	1	0	0	0	Saskatchewan	1	1	0
Winnipeg	1	1	0	0	0	Winnipeg	1	1	0
Winnipeg	1	1	0	0	0	Winnipeg	1	1	0
Winnipeg	1	1	0	0	0	Winnipeg	1	1	0
Winnipeg	1	1	0	0	0	Winnipeg	1	1	0
Winnipeg	1	1	0	0	0	Winnipeg	1	1	0

At Chicago, Chris Chambliss' tie-breaking double in the ninth inning followed a single by Lou Piniella and led New York to a 3-1 victory over Chicago as Reggie Jackson returned to the club after a five-day suspension.

Tigers 4-3, Angels 3-4

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Royals 7, Red Sox 3

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Orioles 8, Twins 5

At Bloomington, Minn., Lee May's two-run home run highlighted a three-run fifth and Jim Palmer won his 12th game of the year as Baltimore topped Minnesota, 8-5. May's blast, his 16th of the year and first since June 26, gave Baltimore a 5-1 lead. Ken Singleton, who had singled, scored on May's homer.

Brewers 17, Rangers 8

At Arlington, Texas, Sal Bando and Larry Hise hit three-run homers and Gorman Thomas had a two-run shot in a 21-hit attack and Milwaukee moved within five games of Boston in the American League East with a 17-8 victory over Texas. Bando scored four runs and knocked in five with a double single and his 10th homer. Hise hit his 23rd homer in the ninth and had three singles.

A's 5, Blue Jays 3

At Toronto, Mitchell Page opened a two-run Oakland sixth inning with his 11th home run of the season and Taylor Duncan delivered the eventual winner with a two-out single at Oakland defeated Toronto, 5-3. Dick Langford and Dave Heaverly combined on a five-hitter for Oakland. Page hit the first pitch from Jerry Garvin, 2-11, over the right field fence. Two outs later, Mario Guerrero doubled and scored on Duncan's single.

Yankees 3, White Sox 1

At Chicago, Chris Chambliss' tie-breaking double in the ninth inning followed a single by Lou Piniella and led New York to a 3-1 victory over Chicago as Reggie Jackson returned to the club after a five-day suspension.

Tigers 4-3, Angels 3-4

At Detroit, Dave Chalk broke a 3-3 deadlock with a run-scoring single in the ninth inning to give California a 4-3 victory over Detroit and a split of their doubleheader.

Detroit won the opener, 4-3, with three runs in the ninth, the winning run scoring on a passed ball.

At San Francisco, Jim Barr pitched a five-hitter and Jack Clark set a club record by hitting in 25

straight games as San Francisco downed Pittsburgh, 3-1. Bill Madlock's leadoff double and Clark's one-out single gave San Francisco a 1-0 lead in the first inning and enabled Clark to set the all-time team record while breaking a tie with Fred Lindstrom (1930), Don Mueller (1955) and Willie McCovey (1963).

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Art Buchwald

## Answering Service

MARTHA'S VINEYARD, Mass. — What I did on my summer vacation:

I was a telephone answering service and only people who have children between the ages of 14 and 30 will appreciate what an important function I performed.

I always started after dinner as soon as my daughter Jennifer asked, "Can I use the car?"

"What time will you be back?" I asked.

"Not late. If Debbie calls, tell her I went with Tony over to Mike's, and if she doesn't get us there, we'll be at David Crohan's Bar in Oak Bluffs."

"I gotcha," I said, writing it down. Half an hour later the phone rang. "Is Jenny there?"

"Is this Debbie?" I asked.

"No, it's Sarah. And she was supposed to meet me at the Cafe du Port in Vineyard Haven," she said.

"Well, she went with Tony over to Mike's."

"Which Mike?"

"She didn't say which Mike. Is there more than one?"

"There are three. If she calls back tell her I went to the party at Ben's."

"The party at Ben's. I've got it."

Fifteen minutes later the phone rang again. It was Ben who wanted to tell Jenny about the party.

I explained that she was with Tony at Mike's, but was going to David Crohan's Bar.

"Well, if Angel calls," Ben said, "tell him I need ice and wine."

"To find out where Tony went?"

"I gotcha," I said, writing it down. "Tell Jenny about your par-

ty and Angel about bringing ice and wine. Do you have any message for Debbie?"

"Who's Debbie?" Ben said.

"I don't know, but she's supposed to call Jenny and I'm to tell her she's with Tony and they went over to Mike's and then they're going to David Crohan's Bar."

"Well, don't tell Debbie about the party because I don't know how many people will be with her."

"My lips are sealed," I promised.

I got into a hot tub when the phone rang again.

The party on the other end asked for Jenny.

"Who's calling?"

"Gordon Manning."

"You can find her at Mike's. David Crohan's Bar or Ben's party, depending how lucky you are."

"I'm calling from New Hampshire."

"That's too bad. There're lots of great things going on here," I told him.

"Well, will you tell Jenny I'm coming down on Tuesday and ask her to leave my beach pass with Ellen in Edgartown? But tell her not to tell Betsy I'm coming. You got that?"

"Of course I've got it. You think I'm a dummy? Listen, I have to get off the phone because I'm expecting a call from either Debbie or Angel or the police in Chilmark depending how lucky I am."

I started to worry about why Debbie or Angel hadn't called. I was watching Johnny Carson when the phone rang again.

It was Jenny. We didn't go to David Crohan's. We're at the Phillips in Lambert's Cove.

"Now you tell me," I said angrily. "Everybody's trying to find you with the exception of Debbie, who never called."

"She's with us," Jenny replied. "And where the hell's Angel?"

"He went back to Boston."

"Do you realize Ben was counting on him to bring the ice and wine to his party? Why didn't you call me?"

"I couldn't get to a phone. Who else called?"

"Naval headquarters. They told me to tell you to report back to your ship immediately."

"Dad, are you drunk?"

"Not yet, but by the time you get home I will be."

## Their presence

is not apparent when the visitor

arrives from the Illinois flatlands: no crosses on

the skyline, no billboards proclaiming

this 'Evangelical City.'

## A Suburban Vatican of the Evangelicals

By George Vecsey

WHEATON, Ill. (NYT) — Just as country musicians flock to Nashville's Music Row and Manhattan's Madison Avenue is synonymous with the advertising industry, so this pleasant Chicago suburb is gaining a reputation as the Vatican of Evangelicals.

At least 30 evangelical organizations now have offices either in Wheaton or the industrial park at Carol Stream, taking advantage of the talent pool from Wheaton College and the resources all around them.

Their presence is not apparent when the visitor arrives from the Illinois flatlands: no crosses on the skyline, no billboards proclaiming this "Evangelical City," as other towns brag of being the feed capital or the tractor capital of the Middle West. But executives say the quiet presence of other evangelical companies is beneficial.

"The other day I wanted to find out how many missionaries there are in the world," said Robert Walker, head of Christian Life Publishers. "All I had to do was make a 10-cent phone call to Jack Frizzen at the International Foreign Mission Association, but I could have walked 200 yards and talked to him in person."

## 50 Million

With as many as 50 million evangelicals all over the United States, Wheaton can hardly boast of housing the majority of evangelical organizations. But it does probably have the nation's largest cluster of evangelical groups.

Business must be good, judging by the corporate headquarters in the "Christian Ghetto" in Carol Stream — Christian Life, Christianity Today, National Association of Evangelicals, Medical Assistance Program, Tyndale House Publishers, Youth for Christ International, Chapel of the Air, Hope Publishing and the Evangelical Alliance Mission, backing on each other.

Some on land that was made available by a wealthy evangelical, Carl Gundersen.

"We're all out of town so much that we never used to see each other," says Walker, "but now we have an unorganized, unidentified group of executive officers who meet for an executive prayer group once a month."

Most of the executives do business at lunch time in the Hamlet Restaurant, the best in Wheaton — except that it is strategically situated outside the city limits, so that those who like to do business over a drink can do so. The city of Wheaton has been dry since it was founded by Methodists a century ago, and it is not likely to become wet now that it is known as the town where Billy Graham went to college.

## The Reasons

Most of the religion companies have located in Wheaton for the same reasons corporations have moved to Fairfield County, Conn., or Orange County, Calif. "We had been in Chicago for 15 years, right in the Loop," Mr. Walker said. "But around 14 years ago, I found it was difficult to get the kind of personnel we wanted. We employ a lot of

women, and it was a difficult time in the urban areas. Also, our building was being razed, so we had to move somewhere."

Mr. Walker said that he "fought the move for a couple of years," until he noticed Wheaton, home of the nondenominational Christian college, with "a pool of talent that hadn't been tapped."

The most important newcomer in recent years was Christianity Today, a conservative Washington. When executives decided to move here in 1977, there was some talk of getting out of the urban area setting into the real America. Some of its employees, evangelicals all, chose not to move.

"The decision to relocate seems to reverse the ideal of evangelical penetration of secular society that motivated the founders of the magazine," said Carl F. Henry, a former editor of the magazine.

## Just Begun

Most people, however, think that Wheaton has just begun to blossom as an evangelical center; they expect other companies to be attracted by the \$15.5-million Billy Graham Center being constructed on the fringe of its alma mater. The center can only enhance the college's reputation for turning out devout, well-educated evangelicals, who fit easily into publishing, missionary and church work.

There are probably more than 1,000 Wheaton graduates among this city's 40,000 residents, along with thousands of other evangelicals. Residents say that there

are many Bible study groups and church activities in Wheaton, as well as public prayer at school and municipal meetings.

Still, it seems possible for a family to be transferred here, take part in the schools, parks, cultural activities and other city services and never once be grabbed by both elbows by a wide-eyed evangelical looking to save another soul.

"I think Wheaton is a barometer of how evangelicalism has grown up in the past 20 years," says Robert Webber, an author and professor at Wheaton. "Wheaton students are more likely to be working with the disadvantaged than passing out tracts down at the railroad station."

A few residents complain about tax money being used for the arrows that point to the 30 churches in Wheaton, and some believe that the Fellowship of Christian Athletes is a little too noticeable in the public schools.

But most call it a tremendous advantage to live in a college town where many graduates each year will be able to find jobs and remain in a setting they like. And most agree that old divisions between evangelical values and those of other residents are being blurred.

"There may have been two towns of Wheaton 20 years ago," says Rosemary Ziska, the director of the Chamber of Commerce. "But people overlap more now. Once you might have worried whether you would offend a nondrinker or by inviting them to a party, or not inviting them. Now most parties have two punch bowls — one with, one without."

## PEOPLE: Ex-Sheriff Says FBI Did Not Kill Dillinger

For 44 years, official and unofficial versions alike have agreed that Melvin Person and a team of FBI agents gunned down Public Enemy No. 1 John Dillinger outside a Chicago theater. Now comes a 79-year-old retired sheriff of Elmhurst, Ill., telling a different version. Marley Person, who was sheriff of Kosciusko County, Ind., at the time, says a pair of gunmen named O'Neil and Zarkovich — hired by the town of East Chicago, Ind. — killed Dillinger outside the Biograph Theater the night of July 22, 1934. He says he never knew their first names. "They were all killers," Person said of the Dillinger gang. "Nothin' ahead of them but death. There wasn't no pussycot you see?" Person said that O'Neil and Zarkovich came to his home the next morning looking for a place to hide. "We just shot Dillinger," he quoted them as saying. "We need a place to hide." The retired sheriff said that the two had made occasional secret visits to Kosciusko County, near Chicago in northwest Indiana, to swap leads with Person on Dillinger's whereabouts. Person said that East Chicago hired O'Neil and Zarkovich to kill Dillinger after a bank robbery there attributed to Dillinger resulted in the death of a school crossing guard. The men let the FBI claim responsibility for Dillinger's death to protect themselves from the wrath of his gang members, Person said.

"I just try not to be bitter," Person said. "I'm still learning and I'm still growing and I just try to look at the good side of this. A lot of things have happened to me that I don't suppose will ever happen to anyone else." Miss Hearst said in an interview with columnist Bob Greene published in the Chicago Tribune. "And because of that, I've grown." The 24-year-old newspaper heiress said, "I'm in prison now, but I'm still learning and I'm still growing and I just try to look at the good side of this. A lot of things have happened to me that I don't suppose will ever happen to anyone else."

Mick Jagger, lead singer of the Rolling Stones, has been hit with a paternity suit by a woman named Hearst, who entered the Federal Correctional Institution at Pleasanton, Calif., in May to complete a seven-year sentence after losing all appeals, said that she no longer likes the nickname "Patty." "It's just something from a bizarre headline" about her experiences with her Symbionese Liberation Army kidnappers, she said. "I don't think it's me anymore. I'm someone else. And Patty... well, Patty is just that person in the headlines."

The old staffers didn't forget Sen. Edward Kennedy on an anniversary of sorts. Several former aides showed up in his Washington office the other day wearing a cake in commemoration of what ex-secretary Richard Dwyne called "the 10th anniversary of the first time you denied you were running for president."

—SAMUEL JUSTICE

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